	State of South Carolina **South Carolina Public Employee Benefit Authority** **Invitation for Bid**	Solicitation Number: Date Issued: Procurement Officer: Phone: Email Address:	**PEBA0492026** 11/23/2026 Georgia Gillens, CPPO, CPPB, NIGP-CPP 803.734.0010 GGillens@peba.sc.gov

DESCRIPTION: **Group Life, Optional Life and Accidental Death &Dismemberment Insurance for State Employees**

SUBMIT OFFER BY (Opening Date/Time): **01/12/2027 11:00 AM.**

The Term "Offer" Means Your "Bid". Your offer must be submitted in a sealed package. The Solicitation Number & Opening Date should appear on the package exterior. See the clause entitled "Submitting Your Offer or Modification."

SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS:	PHYSICAL ADDRESS:
South Carolina Public Employee Benefit Authority P.O. Box 11960 Columbia, S.C. 29211-1960 Attention: Georgia Gillens, CPPO, CPPB	South Carolina Public Employee Benefit Authority 202 Arbor Lake Drive Columbia, S.C. 29223 Attention: Georgia Gillens, CPPO, CPPB

AWARD & AMENDMENTS	Award will be posted on **01/22/2027.** The award, this solicitation, any amendments, and any related notices will be posted at the following web address: https://procurement.sc.gov/vendor/contract-opps/other-solicitations/peba

You must submit a signed copy of this form with Your Offer. By submitting a bid, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of one hundred twenty (120) calendar days after the Opening Date. (See the clause entitled "Signing Your Offer.")

NAME OF OFFEROR (Full legal name of business submitting the offer)		Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.
AUTHORIZED SIGNATURE (Person must be authorized to submit binding offer to contract on behalf of Offeror.)		
TITLE (Business title of person signing above)		STATE VENDOR NO. (Register to obtain S.C. Vendor No. at www.procurement.sc.gov)
PRINTED NAME (Printed name of person signing above)	DATE SIGNED	STATE OF INCORPORATION (If you are a corporation, identify the state of incorporation.)

OFFEROR'S TYPE OF ENTITY: (Check one) (See "Signing Your Offer" provision.)

___Sole Proprietorship ___Partnership ___Other_____

___Corporate entity (not tax-exempt) ___Corporation (tax-exempt) ___Government entity (federal, state, or local)

PAGE TWO
(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) _____ Area Code - Number - Extension Facsimile _____ Email Address
PAYMENT ADDRESS (Address to which payments will be sent.) ____Payment Address same as Home Office Address ____Payment Address same as Notice Address **(check only one)**	ORDER ADDRESS (Address to which purchase orders will be sent) ____Order Address same as Home Office Address ____Order Address same as Notice Address **(check only one)**

ACKNOWLEDGMENT OF AMENDMENTS
Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See the clause entitled "Amendments to Solicitation")

Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

DISCOUNT FOR PROMPT PAYMENT (See the clause entitled "Discount for Prompt Payment")	10 Calendar Days (%)	20 Calendar Days (%)	30 Calendar Days (%)	_____Calendar Days (%)

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INVITATION FOR BID
SOLICITATION NUMBER PEBA0492026

GROUP LIFE INSURANCE
SCHEDULE OF KEY DATES IN THE SOLICITATION PROCESS
All dates subject to change

1.	Distribution of the Invitation for Bid	11/23/2026
2.	Questions on the Invitation for Bid (2:30 p.m.)	11/30/2026
3.	Pre-Bid Conference (12:00 p.m.)	12/08/2026
4.	State's Written Responses to Questions	12/21/2026
5.	Submission and Opening of Bids (11:00 a.m.)	01/12/2027
6.	Intent to Award Posting Date	01/22/2027
7.	Intent to Award Becomes Official (tentative)	02/03/2027

PART 1

INSTRUCTIONS TO OFFERORS-A. GENERAL INSTRUCTIONS

1.1 DEFINITIONS, CAPITALIZATION, AND HEADINGS: Clause headings used in this solicitation are for convenience only and shall not be used to construe meaning or intent. Even if not capitalized, the following definitions are applicable to all parts of the solicitation, unless expressly provided otherwise. Amendment means a document issued to supplement the original solicitation document.
Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity.
Change Order means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract.
Contract See the clause entitled "Contract Documents & Order of Precedence."
Contract Modification means a written order signed by the Procurement Officer directing the Contractor to make changes which the clause of the contract titled "Changes," authorizes the Procurement Officer to order without the consent of the Contractor.
Contractor means the Offeror receiving an award as a result of this solicitation.
Cover Page means the top page of the original solicitation on which the solicitation is identified by number. Offerors are cautioned that Amendments may modify information provided on the Cover Page.
Offer means the bid submitted in response to this solicitation. The term Bid is used interchangeably with the term Offer.
Offeror means the single legal entity submitting the offer. See the clause entitled "Signing Your Offer."
Participant means an individual who participates in the Basic Life, Optional Life and Dependent Life, including all (a) active employees; (b) employees on leave of absence; (c) retirees; and (d) any enrolled dependents of the

individuals identified in (a) through (b) herein.
Procurement Officer means the person, or his successor, identified as such on either the Cover Page, an amendment, or an award notice.
Solicitation means this document, including all its parts, attachments, and any Amendments.
State means the state of South Carolina and the South Carolina Public Employee Benefit Authority (PEBA).
Subcontractor means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.
Work means all labor, materials, equipment, services, or property of any type, provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.
You and Your means Offeror.

1.2 AMENDMENTS TO SOLICITATION: (a) The solicitation may be amended at any time prior to opening. All amendments to this solicitation shall be in writing from the South Carolina Public Employee Benefit Authority (PEBA). PEBA shall not be legally bound by any amendment which is not in writing. All actual and prospective Offerors should monitor the following web site for the issuance of amendments: https://www.procurement.sc.gov/doing-biz/bid-ops/peba (b) Offerors shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date in the space provided for this purpose on Page Two, (3) by acknowledging receipt in the Offeror's Executive Summary, (4) by letter, or (5) by submitting a bid that indicates in some way that the Offeror received the amendment. (c) If this solicitation is amended, then all terms and conditions which are not modified by the amendment(s) remain unchanged.

1.3 AUTHORIZED AGENT (FEB 2015): All authority regarding this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement or the resulting contract.

1.4 AWARD NOTIFICATION: Notice regarding any award, cancellation of award, or extension of award will be posted at the location and on the date specified on the Cover Page or, if applicable, any notice of extension of award. Notice will be sent to all Offerors responding to the Solicitation and any award will not be effective until the calendar day immediately following the seventh business day after such notice is given.

1.5 BID AS OFFER TO CONTRACT: By submitting Your bid, You are offering to enter into a contract with PEBA. Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An offer may be submitted by only one legal entity; "joint bids" are not allowed.

1.6 BID ACCEPTANCE PERIOD: In order to withdraw Your Offer after the minimum period specified on the Cover Page, You must notify the Procurement Officer in writing. Otherwise, Your Offer remains valid until final award including through any periods consumed by protests.

1.7 BID IN ENGLISH & DOLLARS: Offers submitted in response to this solicitation shall be in the English language and in US dollars.

1.8 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (MAY 2008): Giving false, misleading, or incomplete information on this certification may render you subject to prosecution under Section 16-9-10 of the South Carolina Code of Laws and other applicable laws.
(a) By submitting an Offer, the Offeror certifies that:
(1) The prices in this Offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to:
(i) Those prices;

(ii) The intention to submit an offer; or
(iii) The methods or factors used to calculate the prices offered.
(2) The prices in this Offer have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
(3) No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
(b) Each signature on the Offer is considered to be a certification by the signatory that the signatory-
(1) Is the person in the Offeror's organization responsible for determining the prices being offered in this bid, and that the signatory has not participated and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; or
(2)(i) Has been authorized, in writing, to act as agent for the Offeror's principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification [As used in this subdivision (b)(2)(i), the term "principals" means the person(s) in the Offeror's organization responsible for determining the prices offered in this bid];
(ii) As an authorized agent, does certify that the principals referenced in subdivision (b)(2)(i) of this certification have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; and
(iii) As an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification.
(c) If the Offeror deletes or modifies paragraph (a)(2) of this certification, the Offeror must furnish with its Offer a signed statement setting forth in detail the circumstances of the disclosure.

1.9 CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004):
(a)(1) By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-
(i) Offeror and/or any of its Principals-
(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;
(B) Have not, within a three-year period preceding this Offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and
(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.
(ii) Offeror has not, within a three-year period preceding this Offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.
(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).
(b) Offeror shall provide immediate written notice to the Procurement Officer, or his designee, if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
(c) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offeror must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer, or his designee, may render the Offeror nonresponsible.
(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and

information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer, or his designee, may terminate the contract resulting from this solicitation for default without cost to the South Carolina Public Employee Benefit Authority or the State and the Contractor will be charged for the cost of replacement goods and services.

1.10 CODE OF LAWS AVAILABLE (JAN 2006): The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at http://www.scstatehouse.gov/code/statmast.php. The South Carolina Regulations are available at http://www.scstatehouse.gov/coderegs/statmast.php.

1.11 DEADLINE FOR SUBMISSION OF OFFER: PEBA will receive sealed bids until 11:00 a.m. local time on the opening date shown. To be timely filed, bids and amendments thereto should be received by the time advertised for opening. It is the vendor's sole responsibility to ensure PEBA receives these documents. Offerors mailing bids should allow a sufficient mail delivery period to ensure timely receipt of their bid by PEBA. Any offer received after the Procurement Officer or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered to the designated purchasing office or PEBA's mail room prior to the opening. [R. 19-445.2070(G)]

1.12 DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE: You warrant and represent that Your Offer identifies and explains any unfair competitive advantage You may have in competing for the proposed contract and any actual or potential conflicts of interest that may arise from Your participation in this competition or Your receipt of an award. The two underlying principles are (a) preventing the existence of conflicting roles that might bias a contractor's judgment, and (b) preventing an unfair competitive advantage. If You have an unfair competitive advantage or a conflict of interest, PEBA may withhold award. Before withholding award on these grounds, an Offeror will be notified of the concerns and provided a reasonable opportunity to respond. Efforts to avoid or mitigate such concerns, including restrictions on future activities, may be considered. Without limiting the foregoing, You represent that Your Offer identifies any services that relate to either this solicitation or the work that has already been performed by You, a proposed subcontractor, or an affiliated business of either.

1.13 DRUG FREE WORK PLACE CERTIFICATION (JAN 2004): By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended.

1.14 DUTY TO INSPECT AND INQUIRE: Offeror, by submitting an Offer, represents that it has read and understands the Solicitation and that its Offer is made in compliance with the Solicitation and will be implemented on time and performed satisfactorily over the entire term of the contract. Offerors are expected to examine the Solicitation thoroughly and should request an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation in accordance with the terms of this Solicitation. Failure to do so will be at the Offeror's risk. All ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation shall be interpreted to require the better quality or greater quantity of work and/or materials, unless otherwise directed by amendment. Offeror assumes responsibility for any patent ambiguity in the Solicitation, or assumption it makes concerning the Solicitation, which Offeror does not bring to the State's attention pursuant to the terms of this Solicitation. By submission of a bid, Offeror also certifies that its Offer has been reviewed by the appropriate individuals within the Offeror's organization and that the goods and services herein, if an award is made to that Offeror, can and will be provided on time and for the compensation proposed, subject to any negotiations that may affect the amount of compensation.

1.15 ETHICS CERTIFICATE (MAY 2008): By submitting an offer, the Offeror certifies that the Offeror has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the South Carolina Code of Laws, as amended (ethics act). The following statutes require special attention: Section 8-13-700, regarding use of official position for financial gain; Section 8-13-705, regarding gifts to influence action of public official; Section 8-13-720, regarding offering money for advice or assistance of public official; Sections 8-13-755 and 8-13-760, regarding restrictions on employment of a former public official; Section 8-13-775, prohibiting public official with economic interests from acting on contracts; Section 8-13-790, regarding recovery of kickbacks; Section 8-13-1150, regarding statements to be filed by consultants; and Section 8-13-1342, regarding restrictions on contributions by Contractor to candidate who participated in awarding of contract. The State may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If Contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, Contractor shall, if required by law to file such a statement, provide the statement required by Section 8-13-1150 to the Procurement Officer at the same time the law requires the statement to be filed.

1.16 OMIT TAXES FROM PRICE: Do not include any sales or use taxes in Your price that PEBA may be required to pay.

1.17 OPEN TRADE REPRESENTATION (JUN 2015): By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

1.18 PROHIBITED COMMUNICATIONS AND DONATIONS: Violation of these restrictions may result in disqualification of Your Offer, suspension or debarment, and may constitute a violation of law. (a) During the period between publication of the solicitation and final award, ***you must not communicate, directly or indirectly, with PEBA or its employees, agents or officials regarding any aspect of this procurement activity,*** *unless otherwise approved in writing by the Procurement Officer*. All communications must be solely with the Procurement Officer. [R. 19-445.2010] (b) You are advised to familiarize yourself with Regulation 19-445.2165, which restricts donations to a governmental entity with whom you have or seek to have a contract. ***You represent that Your Offer discloses any gifts made, directly or through an intermediary, by You or your named subcontractors to or for the benefit of PEBA during the period beginning eighteen months prior to the Opening Date.*** [R. 19-445.2165]

1.19 PROTESTS (MAY 2019) If you are aggrieved in connection with the solicitation or award of the contract, you may be entitled to protest, but only as provided in Section 11-35-4210. To protest a solicitation, you must submit a protest within fifteen days of the date the applicable solicitation document is issued. To protest an award, you must (i) submit notice of your intent to protest within seven business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen days of the date the award notice is posted. Days are calculated as provided in Section 11-35-310(13). Both protests and notices of intent to protest must be in writing and must be received by the appropriate Chief Procurement Officer within the time provided. See clause entitled "Protest-CPO". The grounds of the protest and the relief requested must be set forth with enough particularity to give notice of the issues to be decided. [02-2A085-2]

1.20 PUBLIC OPENING (JAN 2004): Offers will be publicly opened at the date/time and at the location identified on the Cover Page, or last Amendment, whichever is applicable.

1.21 QUESTIONS FROM OFFERORS: (a) Any prospective Offeror desiring an explanation or interpretation of the solicitation, specifications, etc. (see clause 1.14 above, "Duty to Inspect and Inquire"), must request it in writing. Questions regarding the original solicitation or any amendment must be received by the

Procurement Officer by the date specified in Part 1., INSTRUCTIONS TO OFFERORS-B. SPECIAL INSTRUCTIONS, or such other time as specified in a subsequent amendment to this solicitation. Oral explanations or instructions will not be binding. Any information given a prospective Offeror concerning a solicitation will be furnished promptly to all other prospective Offerors as an Amendment to the solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective Offerors. We will not identify you in our response to your question. (b) PEBA seeks to permit maximum practicable competition. Offerors are urged to advise the Procurement Officer as soon as possible regarding any aspect of this procurement, including any aspect of the Solicitation that unnecessarily or inappropriately limits full and open competition. Offerors should advise PEBA of any problems they perceive as a result of reviewing this solicitation document, which may bear upon their ability to comply, or submit any other questions, which might ultimately bear upon PEBA's ability to enter into the relationship described herein with a selected vendor.

1.22 REJECTION/CANCELLATION: PEBA may cancel this Solicitation in whole or in part and may reject any or all bids in whole or in part. [SC Code Section 11-35-1710 & R.19-445.2065]

1.23 RESPONSIVENESS (MAR 2024): (a) Award will not be made on a nonresponsive offer. An offer is nonresponsive (i) if it does not constitute an unambiguous offer to enter into a contract with the State, or (ii) if it imposes conditions inconsistent with, or does not unambiguously agree to, the solicitation's material requirements. (b) Bid as Specified. Offers for supplies or services other than those specified will not be considered unless authorized by the Solicitation.

1.24 SIGNING YOUR OFFER (JAN 2004): Every Offer must be signed by an individual with actual authority to bind the Offeror. (a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words "by its Partner," and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (c) above, the Offer must state that it has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal.

1.25 STATE OFFICE CLOSINGS: If an emergency or unanticipated event interrupts normal government processes so that offers cannot be received at the PEBA office by the exact time specified in the solicitation, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first workday on which normal government processes resume. In lieu of an automatic extension, an Amendment may be issued to reschedule the bid opening. If state offices are closed at the time a pre-bid conference is scheduled, an Amendment will be issued to reschedule the conference. Useful information may be available at: information may be available at: https://scemd.org/closings.

1.26 SUBMITTING CONFIDENTIAL INFORMATION (FEB 2015): (An overview is available at www.procurement.sc.gov) For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "PROTECTED" every page, or portion thereof, that Offeror contends is protected by Section 11-35- 1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response as confidential, trade secret, or

protected. If your response, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page. By submitting a response to this solicitation or request, Offeror:
(1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these instructions, as being either "CONFIDENTIAL" or "TRADE SECRET" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its agencies, officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from withholding information by the State of South Carolina or any of its agencies, that Offeror marked as "CONFIDENTIAL" or "TRADE SECRET" or "PROTECTED". (All references to S.C. Code of Laws.)

1.27 SUBMITTING YOUR OFFER OR MODIFICATION: (a) All copies of the offer or modification, and any other documents required to be submitted with the Offer should be enclosed in a sealed, opaque envelope or package – (1) Addressed to the office specified on the Cover Page; and (2) Showing the time and date specified for opening, the solicitation number, and the name and address of the Offeror. (b) Offerors using commercial carrier services shall ensure that the Offer is addressed and marked on the outermost envelope or wrapper as prescribed in paragraphs (a)(1) and (2) of this provision when delivered to the office specified on the Cover Page. (c) Facsimile or email offers, modifications, or withdrawals, will not be considered.

1.28 VENDOR REGISTRATION MANDATORY (JAN 2006): You must have a state vendor number to be eligible to submit an offer. To obtain a state vendor number, visit www.procurement.sc.gov and select New Vendor Registration. (To determine if your business is already registered, go to "Vendor Search"). Upon registration, you will be assigned a state vendor number. Vendors must keep their vendor information current. If you are already registered, you can update your information by selecting Change Vendor Registration. (Please note that vendor registration does not substitute for any obligation to register with the S.C. Secretary of State or S.C. Department of Revenue. You can register with the agencies at www.scbos.com/default.htm.)

1.29 WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004): Offers may be withdrawn by written notice received at any time before the exact time set for opening. A bid may be withdrawn in person by an Offeror or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a receipt for the bid. The withdrawal and correction of Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085.

INSTRUCTIONS TO OFFERORS-B. SPECIAL INSTRUCTIONS

130 PRE-BID CONFERENCE/SUBMISSION OF QUESTIONS:

There will be a pre-bid conference at **12:00 p.m. Local Time on December 8, 2026,** at the South Carolina Public Employee Benefit Authority, 202 Arbor Lake Drive, PEBA Board Room, Columbia, South Carolina.

NOTE: Due to the importance of all Offerors having a clear understanding of the specifications and requirements of this IFB, attendance at the pre-proposal conference is strongly encouraged. The South Carolina Public Employee Benefit Authority strongly recommends that at a minimum the proposed account manager and the

individual responsible for preparing and submitting the Offeror's proposal be in attendance. Prospective Offerors will be limited to three (3) representatives. Please bring a copy of the IFB with you.

SUBMISSION OF QUESTIONS

Any questions, comments, requests for information or clarifications regarding the IFB must be submitted in writing. Do NOT wait to assert deviations, exceptions, etc. to anything in this IFB until (or in) the submission of your proposal.

All questions must be received by the Procurement Officer no later than **December 8, 2026, by the end of the pre-proposal meeting** local time. No further questions regarding the IFB will be accepted after this deadline.

Any written questions, requests for information, or request for clarifications will be responded to in the form of a written amendment to the IFB and emailed to all prospective Offerors. The amendment will also be posted at the following web address: PEBA Solicitations | procurement.sc.gov.

All questions, comments, and requests for information or clarifications regarding this IFB must be submitted as indicated below. All questions, comments, and requests for information or clarifications should, to the highest degree possible, cite the specific IFB section and paragraph number(s) to which the question refers. All questions, comments, and requests for information or clarifications regarding this IFB should include the identity of the sender, firm name, mailing address, telephone number, and email address. Email is the preferred method for submitting questions, with "Questions: Group Life Insurance IFB" as the subject of the email. Submit questions in an easily copied format such as MS Word.

Mark envelopes on questions mailed: QUESTIONS

Title: Group Life, Optional Life, and A&D Insurance for State Employees
Attn: Georgia Gillens, CPPO, CPPB, NIGP-CPP

SEND QUESTIONS TO:

MAIL TO:
South Carolina Public Employee Benefit Authority
202 Arbor Lake Drive
Columbia, SC 29223
Attention: Georgia Gillens, CPPO, CPPB, NIGP-CPP

HAND DELIVER/EXPRESS
South Carolina Public Employee Benefit Authority
202 Arbor Lake Drive
Columbia, SC 29223
Attention: Georgia Gillens, CPPO, CPPB, NIGP-CPP

EMAIL ADDRESS:
GGillens@peba.sc.gov

1.31 CONTENTS OF OFFER (FEB 2015): (a) Offers should be complete and carefully worded and should convey all of the information requested. (b) Offers should be prepared simply and economically, providing a straightforward, concise description of Offeror's capabilities to satisfy the requirements of the IFB. Emphasis should be on completeness and clarity of content. (c) If Your Offer includes any comment over and above the specific information requested in the solicitation, you should include this information as a separate appendix to Your Offer. Offers that include either modifications to any of the solicitation's contractual requirements or an Offeror's standard terms and conditions may be deemed non-responsive and not considered for award.

1.32 OPENING BIDS: Bids will be publicly opened at the date/time and at the location identified on the Cover Page, or last Amendment, whichever is applicable.

1.33 PROTEST - CPO - MMO ADDRESS (JUN 2006): Any protest must be addressed to the Chief

Procurement Officer, Materials Management Office, and submitted in writing (a) by email to: protest-mmo@mmo.state.sc.us, (b) by facsimile at 803-737-0639 or (c) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201.

1.34 UNSUCCESSFUL OFFERORS: Offerors not awarded a contract under this solicitation may request return of their bids within thirty (30) calendar days after the notice of intent to award becomes the final statement of award. All cost of returns will be paid by the Offeror. Thirty (30) calendar days after the notice of intent to award becomes the final statement of award all materials submitted by firms not awarded a contract may be destroyed.

1.35 RELEASE OF CLAIMS: With the submission of a bid, each Offeror agrees that it will not bring any claim or have any cause of action against PEBA based on any misunderstanding, failure by PEBA to properly convey the information, or failure by PEBA to provide the Offeror with pertinent information as intended by the IFB. Additionally, the Offeror, its officers, agents, or representatives waive and release PEBA and each and any entity, person, or other source providing any information concerning the Offeror, of any and all claims of any sort or variety whether in tort, contract or otherwise, whether known or unknown, regarding the Offeror's or subcontractor's past performance, products, services, personnel, reputation or its Subcontractors or any other information sought or obtained by PEBA, whether or not the information is relied on by PEBA. The Offeror agrees that it will assert no claims for bid preparation costs arising from a protest, action or claim arising from the solicitation or award.

PART 2

SCOPE OF SOLICITATION

The South Carolina Public Employee Benefit Authority is seeking a single vendor (insurer) to provide a Basic Life Insurance, Optional Life Insurance and Dependent Life Insurance Program with Accidental Death and Dismemberment coverage.

PEBA will only accept bids from insurers. PEBA will not consider bids submitted by agents or brokers and will not pay any commissions. Bidders may submit only one bid in response to this Invitation for Bid. Multiple bids will not be accepted. PEBA will award one (1) contract to one (1) Bidder for all programs/services.

2.1 INTRODUCTION

PEBA is responsible for the administration and management of the state's employee insurance programs and retirement systems. Entities that participate in the employee insurance programs (all state agencies, public school districts, public higher education institutions, as well as participating charter schools and those eligible optional employers who have chosen to participate) must offer to all their eligible employees the entire package of available state insurance benefits and allow individual employees to refuse all or any part of the state insurance benefits package. The group health, Basic Dental, Basic Life and Basic Long Term Disability plans are the core benefits that participating entities must provide for each employee by paying a minimum contribution for each plan. Employees may also participate in Dental Plus, the State Vision Plan, Optional Life and Dependent Life insurance, and Supplemental Long Term Disability. Active employees may participate in PEBA's cafeteria plan, called MoneyPlus, which includes flexible spending accounts. Health, dental and vision benefits are available to retirees, survivors, COBRA subscribers and former spouses.

2.2 OBJECTIVE

PEBA is looking for a qualified contractor to manage the self-funded Basic Life Insurance product and offer additional life insurance products as indicated by the specifications included herein.

PEBA seeks to obtain Group Life Insurance for up to five (5) years. The initial term will be three (3) years with two (2) additional one (1) year renewal terms.

PART 3

SCOPE OF WORK

PEBA is seeking bids which comply with each of the material and essential requirements described in Part 3, Scope of Work. In addition, the requirements in Part 3, Scope of Work shall be met fully, satisfactorily, and performed in their entirety in a first-class manner. PEBA considers any bid which provides any deviations from, or caveats to, Part 3, Scope of Work as unacceptable. As a result, any item an Offeror would like to modify, seek clarifications on, or request other deviation from, however modest, must be presented during the question-and-answer phase, and considered and determined by PEBA before the submission date for all bids, so that all prospective Offerors will have a common and uniform basis upon which to submit their bids.

PEBA is seeking a single vendor (insurer) to provide a Basic Life Insurance, Optional Life Insurance, and Dependent Life Insurance Program with Accidental Death and Dismemberment coverage.

PEBA will only accept bids from insurers. PEBA will not consider bids submitted by agents or brokers and will not pay any commissions. Bidders may submit only one bid in response to this Invitation for Bid. Multiple bids will not be accepted. PEBA will award one (1) contract to one (1) Bidder for all programs/services.

Note: All product specifications in each section below are taken from the current Certificates for the life insurance programs in place for PEBA, as insured by the current vendor, Metropolitan Life Insurance Company (MetLife). **The specifications below are intended to mirror what is stated in the certificates attached to this solicitation as Attachment 6. Any conflict between this Scope of Work section and the certificates is unintentional and it is the affirmative obligation of the Bidder to bring any such conflict to PEBA's attention under the Duty to Inspect and Inquire.** Other services not listed in this Scope of Work, such as will preparation, estate resolution, and grief counseling, are offered in the current program, as reflected in the certificate, *Insurance Benefits Guide*, and other publications; these additional services may be offered, but are not requirements of this Invitation for Bid.

I. BASIC LIFE INSURANCE PROGRAM

The Contractor shall provide Basic Life Insurance with Accidental Death and Dismemberment Insurance in accordance with, at a minimum, the following:

A. Eligibility and Enrollment

1. The Basic Life Insurance benefit shall be provided at no cost to all eligible employees. An eligible employee shall be any active, full-time employee of the state or a participating entity who is also enrolled in a health plan offered as a part of the state insurance benefits program. PEBA offers the State Health Plan, the MUSC Health Plan and the TRICARE Supplement Plan. As of October 2026, there are 215,008 active employees enrolled in a health plan. The insurance coverage shall be fully-insured and premiums paid by the employer.

2. Coverage effective date shall be determined as follows:
   a) If the employee is eligible for coverage, has commenced full-time employment, and is enrolled in a state health insurance plan on the first calendar day of the month, the coverage effective date is the first calendar day of the month in which they became eligible,
   b) If the employee becomes eligible for coverage and has commenced full-time employment on the first working day of the month and that day is not the first calendar day of the month, the employee may choose a coverage effective date of either the first calendar day of the month in which they became eligible or the first calendar day of the following month provided, in either case, they are also enrolled in a state health insurance plan on that day; or
   c) If the employee becomes eligible for coverage and has commenced full-time employment on a day other than the first calendar day or the first working day of the month, the coverage effective date is the first calendar day of the following month.

3. Full-time employment means thirty (30) hours or more per week as a regular employee or at least twenty (20) hours per week as an active employee at a covered entity that has elected this option with PEBA.

4. All present and eligible employees shall be covered without medical evidence. Subsequently hired employees shall be covered automatically without medical evidence subject to the coverage effective date provisions above.

5. Enrollment in the program shall be automatic with enrollment in a state health insurance plan for active, full-time employees. PEBA shall perform the day-to-day administrative functions with respect to employee enrollment and eligibility for the Basic Life with Accidental Death and Dismemberment insurance program.

6. PEBA, or the benefits administrator at the employing entity, shall submit to the contractor information with the claim that the employee was eligible for the Basic Life with Accidental Death and Dismemberment insurance program. The Contractor may verify eligibility with PEBA.

7. The Contractor shall defer to PEBA, for consideration and final decision, any questions with respect to employee eligibility to participate in the Basic Life with Accidental Death and Dismemberment insurance program.

B. Schedule of Benefits

Life Insurance If the employee dies, the Contractor will pay a benefit of three thousand dollars ($3,000) if death occurs on or before the last day of the calendar month in which an active duty employee's 70th birthday occurs. If the employee's death occurs thereafter, the benefit shall be reduced to one thousand five hundred dollars ($1,500).

Accidental Death and Dismemberment Benefits In addition to any applicable life insurance benefit listed in this section, Accidental Death and Dismemberment Benefits (Basic AD&D) will be paid according to the Schedule of Accidental Losses and Benefits below. If the employee's death or injury occurs on or before the last day of the calendar month in which an active employee's 70th birthday occurs, the maximum benefit is three thousand dollars ($3,000). If the Employee's death or injury occurs thereafter, the maximum benefit is one thousand five hundred dollars ($1,500). If an injury causes more than one benefit to be payable according to the schedule listed below, only the largest benefit will be paid.

The Contractor will pay a benefit according to the schedule below if:
1. The employee suffers an accidental bodily injury while their insurance is in force;
2. A loss results directly from such injury, independent of all other causes; and
3. Such a loss occurs within 365 days after the date of the accident causing the injury.

All amounts listed are percentages of the Full Amount. For active employees, Full Amount for Basic AD&D is an amount equal to employee's Basic Life Insurance.

Description of Loss	**Benefit**
Loss of life	100%
Loss of a hand permanently severed at or above the wrist but below the elbow	50%
Loss of a foot permanently severed at or above the ankle but below the knee	50%
Loss of an arm permanently severed at or above the elbow	50%
Loss of a leg permanently severed at or above the knee	50%
Loss of sight in one eye	50%

Loss of sight means permanent and uncorrectable loss of sight in the eye. Visual acuity must be 20/200 or worse in the eye or the field of vision must be less than 20 degrees.

Loss of any combination of hand, foot, or sight of one eye, as defined above	100%
Loss of the thumb and index finger of same hand	25%

Loss of thumb and index finger of same hand means the thumb and index finger are permanently severed through or above the third joint from the tip of the index finger and the second joint from the tip of the thumb.

Loss of speech and loss of hearing	100%
Loss of speech or loss of hearing	50%

Loss of speech means the entire and irrecoverable loss of speech that continues for six consecutive months following the accidental injury.

Loss of hearing means the entire and irrecoverable loss of hearing in both ears that continues for six consecutive months following the accidental injury.

Paralysis of both arms and both legs	100%
Paralysis of both legs	75%
Paralysis of both legs and one arm or both arms and one leg	75%
Paralysis of the arm and leg on either side of the body	50%
Paralysis of one arm or leg	25%

Paralysis means loss of use of a limb, without severance. A Physician must determine the paralysis to be permanent, complete and irreversible.

The Contractor will not pay Accidental Death and Dismemberment Benefits under this section for any loss caused or contributed to by:

1. Physical or mental illness or infirmity, or the diagnosis or treatment of such illness or infirmity;
2. Suicide or attempted suicide;
3. Intentionally self-inflicted injury;
4. Service in the armed forces of any country or international authority, except the United States National Guard;
5. Committing or attempting to commit a felony;
6. The voluntary intake or use by any means of:
   - Any drug, medication or sedative, unless it is:
     - Taken or used as prescribed by a Physician; or
     - An over-the-counter drug, medication or sedative taken as directed;
   - Alcohol in combination with any drug, medication or sedative; or
   - Poison, gas or fumes; or
7. War, whether declared or undeclared, or act of war, insurrection, rebellion, riot or terrorist act.

Exclusion for Intoxication

The Contractor will not pay benefits under this section for any loss if the insured is intoxicated at the time of the incident and is the operator of a vehicle or other device involved in the incident.

Intoxicated means the injured person's blood alcohol level met or exceeded the level that creates a legal presumption of intoxication under the laws of South Carolina.

C. Claims Processing and Payment

1. The Contractor shall be responsible for processing and payment of all claims for benefits as provided in this Contract, incurred on or after the commencement of the contract 12:00:01 a.m. January 1, 2028, until 12 midnight December 31, 2030, and any extension thereof.

   The Contractor shall pay benefits as soon as possible within thirty (30) days after proof of loss is satisfied. Benefits for loss of life shall be paid to the employee's named beneficiary. Benefits other than loss of life shall be paid directly to the insured employee. If the employee sustains more than one Covered Loss due to an accidental injury, the amount the Contractor will pay, on behalf of any such injured person, will not exceed the Full Amount.

2. The Contractor shall notify PEBA of any claims that are outstanding more than thirty (30) working days from the date received.

3. During the claims submission and verification process the Contractor must utilize PEBA's electronic data transfer files to accurately determine the participant's exact coverage amount and beneficiary designations as of the date of death. Upon receipt of a valid claim, the Contractor's system must be capable of automatically generating and distributing targeted communications, claim status updates, and settlement options to multiple beneficiaries simultaneously regardless of the number of beneficiaries designated by the Participant. Furthermore, the Contractor's claims processing and payment systems must be fully capable of accommodating multiple beneficiaries. Because the state of South Carolina places no limit on the number of primary or contingent beneficiaries a participant may designate, the Contractor must be able to process and distribute benefit payouts to a maximum of 20 beneficiaries in accordance with the employee's designated percentage shares without administrative or system constraints.

D. Termination of Coverage

Coverage terminates at midnight on the earliest of:

- The last day of the month in which the employee terminates employment; or
- The last day of the month in which the employee goes on unapproved leave of absence; or
- The last day of the month in which the employee enters a class of employees not eligible for coverage (for example, the month in which a change occurs from full- to part-time employment); or
- The date the PEBA policy terminates; or
- The day before the employee enters the armed forces on active duty (except for temporary active duty of two weeks or less).

E. Conversion

When an active employee's health coverage is terminated, the employee shall no longer be eligible for Basic Life Insurance coverage. The Contractor shall allow the employee to convert their coverage to an individual policy by submitting a conversion form to the Contractor within thirty-one (31) days after the employee's Basic Life Insurance coverage ends and paying, to the Contractor, all required premiums.

II. OPTIONAL LIFE INSURANCE PROGRAM

The Contractor shall provide an Optional Life Insurance program with Accidental Death and Dismemberment Insurance coverage on a voluntary, employee-pay-all basis, and in accordance with the following at a minimum:

A. Eligibility and Enrollment

1. An employee of a participating entity in the state insurance benefits program may enroll in Optional Life Insurance within thirty-one (31) days of the date they are hired. Coverage is not automatic. Employees may elect coverage in $10,000 increments up to the lesser of three times their basic annual earnings (rounded down to the nearest $10,000) or $500,000 without providing medical evidence. Employees may select a higher benefit level, in increments of $10,000, up to a maximum of $500,000 by providing the Contractor medical evidence. The Contractor shall provide an electronic means for participants to provide medical evidence, when required.

2. If an employee enrolls within thirty-one (31) days of the date they are hired, the coverage effective date shall be determined as follows:
   a) If the employee is eligible for coverage and has commenced full-time employment on the first calendar day of the month, the coverage effective date is the first calendar day of the month in which they became eligible;
   b) If the employee becomes eligible for coverage and has commenced full-time employment on the first working day of the month and that day is not the first calendar day of the month, the employee may choose a coverage effective date of either the first calendar day of the month in which they became eligible or the first calendar day of the following month;
   c) If the employee becomes eligible for coverage and has commenced full-time employment on a day other than the first calendar day or the first working day of the month, the coverage effective date is the first calendar day of the following month; or
   d) If the employee enrolls for an amount of coverage that requires medical evidence, their coverage effective date for the amount requiring medical evidence will be the first of the month following approval by the Contractor. All effective dates of coverage shall be subject to the Deferred Effective Date provision, which provides that for an employee who is absent from work due to a physical or mental condition, including absence due to maternity/birth, on the date their insurance would

otherwise have become effective or would have been increased, the effective date of insurance or the effective date of any increase in insurance will be deferred until the date the employee returns to work as an active, full-time employee for one full day.

3. Optional Life Insurance coverage shall be offered as a nontaxable benefit of PEBA's Flexible Benefits Plan, a qualified cafeteria plan under Section 125 of the Internal Revenue Code and accompanying regulations. ASIFlex currently administers the Flexible Benefits Plan, known to employees as the MoneyPlus program. In pertinent part, in accordance with Section 125, the Flexible Benefits Plan permits active participating employees to elect a nontaxable benefit for up to $50,000 of Optional Life Insurance coverage expenses (premiums) through what is known as the Pretax Group Insurance Premium feature.

   Employees electing both the Flexible Benefits Plan and Optional Life Insurance must follow Section 125 rules regarding benefits elections and changes for Optional Life Insurance, including those rules governing mid-year elections changes, called Qualifying Events in the current certificate and Special Eligibility Situations, as well as those rules governing annual elections. See the attached Life Insurance and AD&D certificate for complete requirements. Examples of Qualifying Events allowing mid-year election changes include, but are not limited to, the birth of a dependent child; marriage; adoption of a dependent child; legal appointment as a guardian of a dependent child; divorce; and involuntary loss of other group life benefits provided by the spouse's group life plan for those who lost the coverage. A salary increase does not constitute a Qualifying Event. Enrollment changes must be requested within thirty-one (31) days of the Qualifying Event. Other than a Qualifying Event described above, an employee electing both the Flexible Benefits Plan and Optional Life Insurance may increase, decrease or drop coverage only during the annual October open enrollment period.

4. Those eligible to enroll in Optional Life Insurance under the loss of other coverage provision are eligible for $10,000 or $20,000 in coverage with medical evidence. An already-enrolled employee who experiences a Qualifying Event other than loss of coverage, or a non-enrolled employee first enrolling due to a Qualifying Event other than loss of coverage, may elect coverage in $10,000 increments up to a maximum of $50,000 without providing medical evidence. Coverage shall be effective the first of the month after the request.

   To increase Optional Life Insurance coverage during the annual open enrollment period, an employee must provide medical evidence and be approved by the Contractor. If approved, coverage shall be effective on January 1 following the annual open enrollment period, or the first of the month following approval from the Contractor, as long as the employee is actively at work on that day as a full-time employee. All effective dates for Optional Life Insurance coverage are subject to the Deferred Effective Date provision.

5. If an employee does not participate in the Flexible Benefits Plan and does not enroll in Optional Life Insurance within thirty-one (31) days of the date the employee begins employment, the employee may enroll throughout the year so long as the employee provides medical evidence and is approved by the Contractor. To enroll, the employee must complete a *Notice of Election* and return it to the Employee's benefits office. PEBA will process the enrollment after the Contractor sends approval of the request to the employer. The employee's Optional Life Insurance coverage will be effective on the first day of the calendar month following approval so long as the employee is actively at work on that day. For Qualifying Events, defined the same as described above for those participating the Flexible Benefits Plan, the employee may elect coverage in $10,000 increments up to a maximum of $50,000 without providing medical evidence. Coverage will be effective on the first of the month following request. All effective dates of coverage are subject to the Deferred Effective Date provision. If an employee does not participate in the Flexible Benefits Plan, the employee may increase their amount of Optional Life Insurance coverage at any time during the year by providing medical evidence and being approved by the Contractor. The employee's coverage at the new level shall be effective on the first day of the calendar month following

the date of approval so long as the employee is actively at work on that day. An employee who does not participate in the Flexible Benefits Plan may decrease or cancel coverage at any time. However, if such an employee later desires to increase or reenroll in Optional Life Insurance, the employee must provide medical evidence and be approved by the Contractor.

6. All eligible employees must have the opportunity to enroll in or increase Optional Life Insurance coverage by $50,000 without medical evidence during the 2027 open enrollment period (October 1-31, 2027). The maximum benefit will be limited to the $500,000 provision listed above. This increased benefit will be effective January 1, 2028, subject to the Deferred Effective Date provision. All future open enrollment guaranteed issue increases will be set by Contractor.

7. The Contractor must notify PEBA by May 1 of each year if any amount of Optional Life coverage (enrollment or increase without medical evidence) will be guaranteed to eligible employees during the open enrollment period, if such an increase will be offered.

8. PEBA processes enrollment for more than 870 participating entities. The Contractor shall be responsible for notifying the employee and their employer when an election requiring medical evidence is approved or denied. The approval for additional coverage will be valid for up to 90 days, with the increase being effective the first of the month following the employee's request for the additional coverage for which they have been approved. The Contractor shall also provide PEBA with an electronic resource for tracking the status of applications for additional coverage.

B. Schedule of Benefits

Life Insurance If the employee dies, the Contractor will pay a benefit equal to the employee's amount of Optional Life Insurance if the death occurs on or before the last day of the calendar month in which an active duty employee's 70^{th} birthday occurs. If the employee's age category changes, the employee's premium will change on January 1 of the next calendar year. Coverage will reduce at ages 70, 75 and 80.

Living Benefit If an active employee under age 60 is diagnosed by a physician as having a terminal illness, the active employee may request the Contractor pay up to 80% of the employee's Optional Life Insurance prior to the employee's death (this is a one-time request). The remaining benefit will be paid to the active employee's beneficiary upon the employee's death. A terminal illness means the active employee has a life expectancy of twelve (12) months or less. The Contractor may require proof the employee is terminally ill before benefits are paid.

Accidental Death and Dismemberment Benefit (not available to retirees) In addition to any applicable Optional Life insurance benefit listed in this section, Accidental Death and Dismemberment Benefits will be paid according to the Schedule of Accidental Losses and Benefits below. The Maximum Benefit refers to the amount of Optional Life insurance the employee has elected. If an injury causes more than one benefit to be payable according to the schedule listed below, only the largest benefit will be paid.

The Contractor shall pay a benefit according to the schedule below if:
1. The employee suffers an accidental bodily injury while their insurance is in force;
2. A loss results directly from such injury, independent of all other causes; and
3. Such a loss occurs within 365 days after the date of the accident causing the injury.

Description of Loss	**Benefit**
Loss of life	100%
Loss of a hand permanently severed at or above the wrist but below the elbow	50%
Loss of a foot permanently severed at or above the ankle but below the knee	50%
Loss of an arm permanently severed at or above the elbow	50%
Loss of a leg permanently severed at or above the knee	50%
Loss of sight in one eye	50%

Loss of sight means permanent and uncorrectable loss of sight in the eye. Visual acuity must be 20/200 or worse in the eye or the field of vision must be less than 20 degrees.

Loss of any combination of hand, foot, or sight of one eye, as defined above	100%
Loss of the thumb and index finger of same hand	25%

Loss of thumb and index finger of same hand means the thumb and index finger are permanently severed through or above the third joint from the tip of the index finger and the second joint from the tip of the thumb.

Loss of speech and loss of hearing	100%
Loss of speech or loss of hearing	50%

Loss of speech means the entire and irrecoverable loss of speech that continues for six consecutive months following the accidental injury.

Loss of hearing means the entire and irrecoverable loss of hearing in both ears that continues for six consecutive months following the accidental injury.

Paralysis of both arms and both legs	100%
Paralysis of both legs	75%
Paralysis of both legs and one arm or both arms and one leg	75%
Paralysis of the arm and leg on either side of the body	50%
Paralysis of one arm or leg	25%

Paralysis means loss of use of a limb, without severance. A Physician must determine the paralysis to be permanent, complete and irreversible.

The Contractor will not pay Accidental Death and Dismemberment benefits under this section for any loss caused or contributed to by:

1. Physical or mental illness or infirmity, or the diagnosis or treatment of such illness or infirmity;
2. Suicide or attempted suicide;
3. Intentionally self-inflicted injury;
4. Service in the armed forces of any country or international authority, except the United States National Guard;
5. Committing or attempting to commit a felony;
6. The voluntary intake or use by any means of:
    - Any drug, medication or sedative, unless it is:
        - Taken or used as prescribed by a Physician; or
        - An over-the-counter drug, medication or sedative taken as directed;
    - Alcohol in combination with any drug, medication or sedative; or
    - Poison, gas or fumes; or
7. War, whether declared or undeclared, or act of war, insurrection, rebellion, riot or terrorist act.

Exclusion for Intoxication
The Contractor will not pay benefits under this section for any loss if the insured is intoxicated at the time of the incident and is the operator of a vehicle or other device involved in the incident.

Intoxicated means the injured person's blood alcohol level met or exceeded the level that creates a legal presumption of intoxication under the laws of South Carolina.

Seat Belt and Air Bag Rider
If employee suffers a Covered Loss due to an accidental injury, the Contractor will pay this additional Seat Belt Use benefit if:
1. The Contractor pays a benefit for the Covered Loss as shown in the Schedule of Benefits section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives Proof the person:
    - Was in an accident while driving or riding as a passenger in a Passenger Car; and
    - Was wearing a Seat Belt, which was properly fastened at the time of the accident.

A police officer investigating the accident must certify the Seat Belt was properly fastened. A copy of such certification must be submitted to the Contractor with the claim for benefits.

Passenger Car means any validly registered four-wheel private passenger car, four-wheel drive vehicle, sports-utility vehicle, pick-up truck or mini-van. It does not include any commercially licensed vehicle, any private car being used for commercial purposes or any vehicle used for recreational or professional racing.

Seat Belt means any restraint device that:
- Meets published United States Government safety standards;
- Is properly installed by the car manufacturer; and
- Is not altered after the installation.

The term seat belt includes any child restraint device that meets the requirements of state law.

Benefit amount
The Seat Belt Use benefit is an additional benefit equal to 25% of the Full Amount shown in the Schedule of Benefits.

Child Care Benefit
The Contractor shall pay a child care benefit for each dependent who is younger than age seven (7) at the time of the employee's death and who is enrolled in a childcare center. For each dependent who qualifies, payment is issued per year for no more than two (2) years.

If employee dies as a result of an accidental injury, the Contractor will pay this additional Child Care benefit if:
1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section ;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives Proof that:
    - On the date of the employee's death, a Child was enrolled in a childcare center; or
    - Within 12 months after the date of the employee, a Child was enrolled in a childcare center.

Childcare Center means a facility that:

- Is operated and licensed according to the law of the jurisdiction where it is located; and
- Provides care and supervision for children in a group setting on a regularly scheduled and daily basis.

Benefit amount

For each child who qualifies for this benefit, The Contractor will pay an amount equal to the Child Care Center charges incurred for a period of up to two consecutive years, not to exceed:

- An annual maximum of $10,000; and
- An overall maximum of 5% of the Full Amount shown in the Schedule of Benefits.

The Contractor will pay this benefit quarterly when the Contractor receives Proof that childcare center charges have been paid. Payment will be made to the person who pays such charges on behalf of the child.

If this benefit is in effect on the date employee dies, and there is no child who could qualify for it, the Contractor will pay $1,000 to the employee's beneficiary in one sum.

Child Education Benefit

If employee dies as a result of an accidental injury, the Contractor will pay this additional Child Education benefit if:

1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives Proof that on the date of employee's death a child was:
    - Enrolled as a full-time student in an accredited college, university or vocational school above the 12th grade level; or
    - At the 12th grade level and, within one year after the date of employee's or employee's spouse's death, enrolls as a full-time student in an accredited college, university or vocational school.

Benefit amount

For each child who qualifies for this benefit, the Contractor will pay an amount equal to the tuition charges incurred for a period of up to four (4) consecutive academic years, not to exceed:

- An academic year maximum of $5,000; and
- An overall maximum of 5% of the Full Amount shown in the Schedule of Benefits.

The Contractor may require proof of the child's continued enrollment as a full-time student during the period for which a benefit is claimed.

Benefit amount

The Contractor will pay this benefit quarterly when the Contractor receives proof that tuition charges have been paid. Payment will be made to the person who pays such charges on behalf of the child.

If this benefit is in effect on the date employee dies and there is no child who could qualify for it, the Contractor will pay $1,000 to employee's beneficiary in one sum.

Felonious Assault Benefit

The Contractor will pay to the employee this additional benefit if:

1. The Contractor pays a benefit for a loss resulting from an accidental injury to employee, under the Accidental Death and Dismemberment Insurance section;
2. The Contractor receives Proof that the accidental injury was caused by a Felonious Assault;

3. The Felonious Assault must be committed by someone other than the employee; and
4. This benefit is in effect on the date of the injury.

Felonious Assault means a violent or criminal act directed at the employee during the course of:
1. A robbery, kidnapping or criminal assault; or
2. An attempt at any of the above,

which constitutes a felony under the laws of the jurisdiction in which the act was committed.

Benefit amount
The Contractor will pay an amount equal to the least of:
- One time employee's Basic Annual Earnings;
- $25,000; or
- The Full Amount shown in the Schedule of Benefits.

Benefit payment
The Contractor will pay this benefit in one sum to employee, if alive, otherwise to employee's beneficiary.

Common Carrier
If the employee dies as a result of an accidental injury, the Contractor will pay this additional benefit if:
1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives Proof that the injury resulting in the deceased's death occurred while traveling in a Common Carrier.

Benefit amount
The Common Carrier Benefit is an amount equal to the full amount shown in the Schedule of Benefits.

Benefit payment
For loss of employee's life, the Contractor will pay benefits to the employee's beneficiary.

Repatriation Benefit
If the employee dies as a result of an accidental injury, the Contractor will pay this additional benefit if:
1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives proof that the employee's death occurred at least 100 miles from the employee's principal place of residence.

Benefit amount
The Contractor will pay an additional benefit equal to the charges incurred for the preparation and transportation of the deceased's body to the city of the deceased's principal residence equal to 5% of the full amount shown in the Schedule of Benefits not to exceed $5,000.

Benefit payment
The Contractor will pay this benefit when the Contractor receives proof that the charges described above have been paid. Payment will be made to the person who paid such charges.

Suicide Provision
If the employee commits suicide within two (2) years from the date Life Insurance for employee takes effect, the Contractor will not pay such insurance, and its liability will be limited as follows:

- Any premium paid by employee will be returned to the beneficiary; and
- Any premium paid by the policyholder will be returned to the policyholder.

If the employee commits suicide within two (2) years from the date an increase in employee's Life Insurance takes effect, the Contractor will pay to the beneficiary the amount of Insurance in effect on the day before the increase. Any premium the employee paid for the increase will be returned to the beneficiary. Any premium paid by the policyholder for the increase will be returned to the policyholder.

C. Claims Processing and Payment

1. The Contractor shall be responsible for processing and payment of all claims for benefits as provided in this Contract, incurred on or after the commencement of the contract 12:00:01 a.m. January 1, 2028, until 12:00 midnight, December 31, 2030, and any extension thereof.

2. The Contractor shall pay benefits as soon as possible within thirty (30) days after proof of loss is satisfied. Benefits shall be paid as soon as the Contractor receives acceptable proof of loss. Life insurance benefits and benefits for loss of life under the Accidental Death and Dismemberment benefits shall be paid in accordance with the life insurance beneficiary designation. If no beneficiary is named, or if no named beneficiary survives the employee, the Contractor may, at its option, pay the executors or administrators of the employee's estate; or all to the employee's surviving spouse; or if the employee's spouse does not survive the employee, in equal shares to the employee's surviving children; or if no child survives the employee, in equal shares to the employee's surviving parents.

3. The Contractor shall pay benefits other than loss of life directly to the employee, except that benefits unpaid at the employee's death may be paid at the Contractor's option to the employee's beneficiary or to the employee's estate.

4. The Contractor may require a person filing the claim for the living benefit to be examined by a physician of the Contractor's choice. The Contractor shall not require more than a reasonable number of examinations. Required examinations will be paid for by the Contractor.

5. Where there is a loss of life, and where it is not prohibited by law, the Contractor may require an autopsy. A required autopsy will be paid for by the Contractor.

6. During the claims submission and verification process, the contractor must utilize PEBA's electronic data transfer files to accurately determine the participant's exact coverage amount and beneficiary designations as of the date of death. Upon receipt of a valid claim, the Contractor's system must be capable of automatically generating and distributing targeted communications, claim status updates, and settlement options to multiple beneficiaries simultaneously regardless of the number of beneficiaries designated by the Participant. Furthermore, the Contractor's claims processing and payment systems must be fully capable of accommodating multiple beneficiaries. Because the state of South Carolina places no limit on the number of primary or contingent beneficiaries a participant may designate, the Contractor must be able to process and distribute benefit payouts to a maximum of 20 beneficiaries in accordance with the participant's designated percentage shares without administrative or system constraints.

D. Extension of Benefits

1. If an employee is on leave of absence approved by the employee's employer, the employee may continue group Optional Life Insurance for up to twelve (12) months from the last day worked as long as the employee pays the required premium. If the employee becomes totally disabled, applies for a conversion policy or dies, the Contractor shall require written proof of the employee's leave of absence approval.

2. If an employee is called up for active-duty military service, the employee may continue Optional Life Insurance coverage for twelve (12) months. The employee can then convert their coverage. If the employee's spouse is covered under Dependent Life Insurance, the employee may also continue their coverage for twelve (12) months, and then the employee can convert their coverage. An employee who discontinues their coverage while on military leave may reinstate coverage levels they had prior to the leave upon return to work after honorable discharge.

3. If an employee goes into leave without pay status due to disability, coverage will terminate at the end of (12) months. At that time, the employee may convert their coverage into a whole-life policy. If the employee is later approved for disability benefits, the vendor shall allow the eligible employee to reinstate the employee's continued coverage by terminating the employee's converted coverage.

E. Termination of Coverage

Coverage terminates at midnight on the earliest of:

- The last day of the month in which the employee terminates employment; or
- The last day of the month in which the employee goes on unapproved leave of absence; or
- The last day of the month in which the employee enters a class of employees not eligible for coverage (for example, a change from full-time to part-time status); or
- The date the PEBA's policy ends; or
- The last day of the month in which the employee does not pay the required premium for that month.

With respect to employer groups terminating participation in the state insurance benefits program, coverage terminates on the last day of the month in which the group was covered under the Program.

Claims incurred before the date insurance ends will not be affected by coverage termination.

F. Continuation of Coverage

1. A retiree may continue Optional Life coverage at the same rates the retiree paid while the retiree was an employee by applying for continued coverage within thirty-one (31) days of the date of their retirement. Coverage will reduce at age 70 and terminate at age 75. When the retiree's amount of coverage either reduces or terminates, the retiree can convert the amount of reduced or lost coverage. Continuation is term life insurance.

2. If an employee retires and chooses to continue coverage as a retiree, then they return to active employment, they can keep their continued coverage or drop that coverage and enroll in insurance under active group coverage.

G. Conversion

1. If an employee's life insurance ends because the employee's employment or eligibility for coverage ends, the employee may apply for an individual life insurance policy without providing medical evidence. This shall be called a conversion policy. The Contractor shall allow the employee to convert their coverage to an individual policy by submitting a conversion form to the Contractor within thirty-one (31) days after the employee's Optional Life Insurance coverage ends and paying, to the Contractor, all required premiums.

2. The employee shall be responsible for completing and submitting a conversion form (application) and the employee's first conversion premium to the Contractor within thirty-one (31) days after the employee's group Optional Life Insurance coverage ends. The employee's conversion policy shall be effective on the 32nd day after their group coverage ends. The following rules apply:
   a) The employee may apply for an amount of life insurance that is not more than the amount of life insurance they had under their terminated group Optional Life Insurance.
   b) The employee's new premium for the conversion policy will be set at the Contractor's standard rate for the amount of coverage the employee wishes to convert and their age.

3. If the employee's group Optional Life Insurance ends because of termination by PEBA of the group Optional Life policy or termination of a class, and the employee has been insured under the policy at least five (5) years, the employee may apply for a conversion policy within thirty-one (31) days of the event. However, the employee's converted life insurance amount may not exceed the lesser of $2,000 or the amount of their terminated group Optional Life Insurance, less the amount of any other group insurance for which they become eligible within thirty-one (31) days of the termination.

4. If the employee dies within the thirty-one (31) day continuation or conversion period, the Contractor shall pay the amount of life insurance the employee was entitled to continue or convert. Proof of the employee's death (a certified death certificate with a raised seal or a red seal) must be accepted by the Contractor for this benefit to be paid.

5. If an employee retires and chooses to convert coverage as a retiree, and they then return to active employment, they must surrender their converted coverage and enroll as an active employee if they enroll in insurance under active group coverage.

III. DEPENDENT LIFE INSURANCE PROGRAM

The Contractor shall provide a Dependent Life Insurance Program on a voluntary, employee-pay-all basis, and in accordance with at a minimum the following:

A. Eligibility and Enrollment

1. An employee may enroll in the Dependent Life Insurance program for the employee's eligible dependents even if the employee does not have Optional Life Insurance coverage or other state group benefits. Eligible dependents include:
   a) An employee's lawful spouse. If the employee's spouse is eligible for coverage as an employee of a participating entity, the employee may not cover them as a dependent.
   b) An employee's children, who must be:
      i) Natural children, legally adopted children, stepchildren or children for whom the employee has legal guardianship;
      ii) Unmarried; and

iii) Younger than age 19, or younger than age 25 if attending school on a full-time basis (as defined by the institution) as their principal activity and are primarily dependent upon the employee for financial support. A child who is 19 years old but younger than age 25, will require verification upon filing of a claim.

Dependent children who are incapable of self-sustaining employment due to mental illness or intellectual or physical handicap shall not be subject to the above age limitations.

If both the husband and wife are eligible employees, only one can carry dependent coverage for eligible dependent children, and the spouses cannot cover each other.

2. An employee is permitted to enroll eligible dependents in the Dependent Life Insurance plan without providing medical evidence within thirty-one (31) days of the date the employee is hired. The employee must complete a *Notice of Election* and return it to their benefits office. The employee shall list each dependent they wish to cover on the *Notice of Election*. If a dependent is not listed on the *Notice of Election*, they are not covered. The coverage effective date shall be determined as follows:
   a) If the employee is eligible for coverage and has commenced full-time employment on the first calendar day of the month, the coverage effective date is the first calendar day of the month in which the employee became eligible.
   b) If the employee becomes eligible for coverage and has commenced full-time employment on the first working day of the month and that day is not the first calendar day of the month, the employee may choose a coverage effective date of either the first calendar day of the month in which the employee became eligible or the first calendar day of the following month.
   c) If the employee becomes eligible for coverage and has commenced full-time employment on a day other than the first calendar day or the first working day of the month, the coverage effective date is the first calendar day of the following month after which the employee became eligible.

3. If an employee wishes to add a spouse due to a Qualifying Event, as defined in Part 3 Section I,. Optional Life Insurance Program, the employee shall be allowed to add the spouse without providing medical evidence by completing a *Notice of Election* within thirty-one (31) days of the date of the event. Coverage shall become effective the first of the month after the request. A spouse is not eligible if they are or become an employee of a participating entity. If the employee divorces, the employee must drop the spouse from their coverage by completing a *Notice of Election* within thirty-one (31) days of the date of divorce.

4. If an employee's spouse is also an employee and the spouse's employment ends, the employee may enroll their spouse in Dependent Life Insurance coverage up to $20,000 without medical evidence within 31 days of the spouse's termination.

5. An employee may add eligible children throughout the year without providing medical evidence by completing a *Notice of Election*. Coverage shall be effective the first of the month after the employee completes and files the *Notice of Election*. Children must be listed on the employee's *Notice of Election* to be covered. An employee must list each child on the *Notice of Election*, even if the employee has Dependent Life Insurance coverage when gaining the new child. Coverage for each newly born dependent begins at birth. All effective dates of coverage are subject to the Deferred Effective Date for Dependents provision. The Deferred Effective Date for Dependents provision stipulates that if a dependent other than a newborn is confined in a hospital or elsewhere (confined "elsewhere" means the individual is unable to perform, unaided, the normal functions of daily living, or leave home or another place of residence without assistance) because of a physical or mental condition on the date insurance would otherwise have become effective, the effective date of insurance will be deferred until the dependent is discharged from the hospital or no longer confined and has engaged in substantially all the normal activities of a healthy person of the same age for a period of at least 15 consecutive days.

6. If an employee does not enroll within 31 days of the date they begin employment or due to a Qualifying Event, the employee may enroll their spouse throughout the year as long as the employee provides medical evidence and is approved by the Contractor. The Contractor shall provide an electronic means for participants to provide medical evidence, when required. Coverage shall be effective on the first day of the calendar month following approval, provided the employee is actively at work in a full-time status.

7. Any dependent who is eligible as an employee for Optional Life Insurance Plan coverage, or who is in full-time military service, shall not be considered a dependent.

8. The Contractor must notify PEBA, by May 1 of each year if any amount of Dependent Life-Spouse coverage (enrollment or increase without medical evidence) will be guaranteed to eligible Dependent Spouses during the open enrollment period, if such an increase will be offered.

B. Schedule of Benefits

Dependent Life-Spouse Coverage If an employee is currently enrolled in Optional Life, they shall be allowed to cover their spouse in increments of $10,000 for up to 50% of their Optional Life coverage or $100,000, whichever is less. Medical evidence shall be required for late entry and for coverage amounts greater than $20,000. If an employee is not enrolled in Optional Life, the employee may cover their spouse for $10,000 or $20,000. If the employee's spouse dies, the Contractor will pay a benefit equal to the amount of Dependent Life/Spouse insurance. The Contractor shall provide an electronic means for participants to provide medical evidence, when required.

Dependent Life-Child If an employee's covered child dies, the Contractor will pay a benefit of $15,000.

Accidental Death and Dismemberment (not available to retirees) In addition to any applicable Dependent Life-Spouse insurance benefit listed in this section, Accidental Death and Dismemberment Benefits will be paid according to the Schedule of Accidental Losses and Benefits below. The Maximum Benefit refers to the amount of Dependent Life-Spouse insurance the employee has elected. If an injury causes more than one benefit to be payable according to the schedule listed below, only the largest benefit will be paid.

The Contractor shall pay a benefit according to the schedule below if:
1. The dependent suffers an accidental bodily injury while the insurance is in force;
2. A loss results directly from such injury, independent of all other causes; and
3. Such a loss occurs within 365 days after the date of the accident causing the injury.

Description of Loss	**Benefit**
Loss of life	100%
Loss of a hand permanently severed at or above the wrist but below the elbow	50%
Loss of a foot permanently severed at or above the ankle but below the knee	50%
Loss of an arm permanently severed at or above the elbow	50%
Loss of a leg permanently severed at or above the knee	50%
Loss of sight in one eye	50%

Loss of sight means permanent and uncorrectable loss of sight in the eye. Visual acuity must be 20/200 or worse in the eye or the field of vision must be less than 20 degrees.

Loss of any combination of hand, foot, or sight of one eye, as defined above	100%
Loss of the thumb and index finger of same hand	25%

Loss of thumb and index finger of same hand means the thumb and index finger are permanently severed through or above the third joint from the tip of the index finger and the second joint from the tip of the thumb.

Loss of speech and loss of hearing 100%
Loss of speech or loss of hearing.....50%

Loss of speech means the entire and irrecoverable loss of speech that continues for six consecutive months following the accidental injury.

Loss of hearing means the entire and irrecoverable loss of hearing in both ears that continues for six consecutive months following the accidental injury.

Paralysis of both arms and both legs.....100%
Paralysis of both legs 75%
Paralysis of both legs and one arm or both arms and one leg.....75%
Paralysis of the arm and leg on either side of the body 50%
Paralysis of one arm or leg.....25%

Paralysis means loss of use of a limb, without severance. A Physician must determine the paralysis to be permanent, complete and irreversible.

The Contractor will not pay Accidental Death and Dismemberment Benefits under this section for any loss caused or contributed to by:

1. Physical or mental illness or infirmity, or the diagnosis or treatment of such illness or infirmity;
2. Suicide or attempted suicide;
3. Intentionally self-inflicted injury;
4. Service in the armed forces of any country or international authority, except the United States National Guard;
5. Committing or attempting to commit a felony;
6. The voluntary intake or use by any means of:
    - Any drug, medication or sedative, unless it is:
        - Taken or used as prescribed by a Physician; or
        - An over-the-counter drug, medication or sedative taken as directed;
    - Alcohol in combination with any drug, medication or sedative; or
    - Poison, gas, or fumes; or
7. War, whether declared or undeclared, or act of war, insurrection, rebellion, riot or terrorist act.

Exclusion for Intoxication

The Contractor will not pay benefits under this section for any loss if the insured is intoxicated at the time of the incident and is the operator of a vehicle or other device involved in the incident.

Intoxicated means the injured person's blood alcohol level met or exceeded the level that creates a legal presumption of intoxication under the laws of South Carolina.

Seat Belt and Air Bag Rider
If a dependent suffers a Covered Loss due to an accidental injury, the Contractor will pay this additional Seat Belt Use benefit if:

1. The Contractor pays a benefit for the Covered Loss as shown in the Schedule of Benefits section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives Proof that the person:
    - Was in an accident while driving or riding as a passenger in a Passenger Car; and
    - Was wearing a Seat Belt which was properly fastened at the time of the accident.

A police officer investigating the accident must certify that the Seat Belt was properly fastened. A copy of such certification must be submitted to the Contractor with the claim for benefits.

Passenger Car means any validly registered four-wheel private passenger car, four-wheel drive vehicle, sports utility vehicle, pick-up truck or mini-van. It does not include any commercially licensed vehicle, any private car being used for commercial purposes, or any vehicle used for recreational or professional racing.

Seat Belt means any restraint device that:
- Meets published United States Government safety standards;
- Is properly installed by the car manufacturer; and
- Is not altered after the installation.

The term includes any child restraint device that meets the requirements of state law.

Benefit amount
The Seat Belt Use benefit is an additional benefit equal to 25% of the Full Amount shown in the Schedule of Benefits.

Child Care Benefit
The Contractor shall pay a Child Care Benefit for each dependent who is younger than age seven (7) at the time of the dependent spouse's death and who is enrolled in a childcare center. For each dependent who qualifies, payment is issued per year for no more than two (2) years.

If the dependent spouse dies as a result of an accidental injury, the Contractor will pay this additional Child Care Benefit if:
1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives proof that:
    - On the date of the dependent spouse's death, a child was enrolled in a childcare center; or
    - Within 12 months after the date of the dependent spouse, a child was enrolled in a childcare center.

Childcare Center means a facility that:
- Is operated and licensed according to the law of the jurisdiction where it is located; and
- Provides care and supervision for children in a group setting on a regularly scheduled and daily basis.

Benefit amount
For each child who qualifies for this benefit, the Contractor will pay an amount equal to the childcare center charges incurred for a period of up to two (2) consecutive years, not to exceed:

- An annual maximum of $10,000; and
- An overall maximum of 5% of the full amount shown in the Schedule of Benefits.

The Contractor will pay this benefit quarterly when the Contractor receives proof that childcare center charges have been paid. Payment will be made to the person who pays such charges on behalf of the child.

If this benefit is in effect on the date employee's spouse dies, and there is no child who could qualify for it, the Contractor will pay $1,000 to the employee in one sum.

Child Education Benefit
If employee's spouse dies as a result of an accidental injury, the Contractor will pay this additional Child Education Benefit if:

1. The Contractor pays a benefit for loss of life under the Accidental Death and Dismemberment Insurance section;
2. This benefit is in effect on the date of the injury; and
3. The Contractor receives proof that on the date of employee's spouse's death a child was:
    - Enrolled as a full-time student in an accredited college, university or vocational school above the 12th grade level; or
    - At the 12th grade level and, within one year after the date of employee's spouse's death, enrolls as a full-time student in an accredited college, university or vocational school.

Benefit amount
For each child who qualifies for this benefit, the Contractor will pay an amount equal to the tuition charges incurred for a period of up to four (4) consecutive academic years, not to exceed:

- An academic year maximum of $5,000; and
- An overall maximum of 5% of the Full Amount shown in the Schedule of Benefits.

The Contractor may require proof of the child's continued enrollment as a full-time student during the period for which a benefit is claimed.

Benefit payment
The Contractor will pay this benefit quarterly when the Contractor receives proof that tuition charges have been paid. Payment will be made to the person who pays such charges on behalf of the child.

If this benefit is in effect on the date employee dies, and there is no child who could qualify for it, the Contractor will pay $1,000 to employee's beneficiary in one sum.

Suicide Provision
If a covered dependent commits suicide within two (2) years from the date Life Insurance for dependent takes effect, the Contractor will not pay such insurance, and its liability will be limited as follows:

- Any premium paid by employee will be returned to the employee; and
- Any premium paid by the policyholder will be returned to the policyholder.

If a covered dependent commits suicide within two (2) years from the date an increase in employee's life insurance takes effect, the Contractor will pay to the beneficiary the amount of insurance in effect on the day before the increase. Any premium the employee paid for the increase will be returned to the employee. Any premium paid by the policyholder for the increase will be returned to the policyholder.

C. Claims Processing and Payment

1. The Contractor shall pay benefits as soon as possible within thirty (30) days after proof of loss is satisfied. When the Contractor receives acceptable written proof of a covered dependent's death, the amount of life insurance shall be paid based on the coverage the employee selected.

2. The Contractor shall pay the life insurance benefit at the dependent's death to the employee, if the employee is living. Otherwise, it will be paid, at the Contractor's option, to the employee's surviving spouse or the executor or administrator of the employee's estate.

3. Where not prohibited by law, the Contractor may require an autopsy at Contractor's expense.

4. During the claims submission and verification process the contractor must utilize PEBA's electronic data transfer files to accurately determine the participant's exact coverage amount and beneficiary designations as of the date of death. Upon receipt of a valid claim, the Contractor's system must be capable of automatically generating and distributing targeted communications, claim status updates, and settlement options to multiple beneficiaries simultaneously regardless of the number of beneficiaries designated by the Participant. Furthermore, the Contractor's claims processing and payment systems must be fully capable of accommodating multiple beneficiaries. Because the state of South Carolina places no limit on the number of primary or contingent beneficiaries a participant may designate, the Contractor must be able to process and distribute benefit payouts to a maximum of 20 beneficiaries in accordance with the participant's designated percentage shares without administrative or system constraints.

D. Termination of Coverage

A dependent's coverage will terminate at midnight on the earliest of:

- The day the employee dies;
- The day PEBA's policy ends;
- The day the employee is no longer eligible to purchase the Dependent Life Insurance Plan;
- The last day of the month in which the dependent no longer meets the definition of a dependent; or
- The day any premiums for Dependent Life Insurance coverage are due and unpaid for a period of 31 days.

Claims incurred before the date insurance ends shall not be affected by coverage termination.

E. Conversion

1. If a dependent's coverage terminates for a reason listed above, coverage may be converted to an individual life insurance policy. The dependent must apply to the Contractor in writing, within thirty-one (31) days of the date Dependent Life Insurance is terminated and pay the required premiums.

2. When an employee dies, Dependent Life-Spouse and/or Dependent Life-Child Insurance coverage may be converted to an individual policy. This policy shall:
   - Be issued without medical evidence;
   - Be on one of the Contractor's non-term policy forms;
   - Be for no more than the amount for which the dependent was last insured under the Dependent Life Insurance Plan;
   - Contain no disability or supplementary benefits; and
   - Be effective on the 32nd day after the group life insurance on the dependent's life terminates.

3. If an employee had the Dependent Life Insurance coverage for at least five (5) years, and the employee's dependent's insurance terminates because the Contractor or PEBA terminates the Dependent Life Insurance coverage or amends the plan so the employee's dependent is not eligible, the dependent may convert coverage to an individual life insurance policy subject to the same conditions and limitations that apply to an insured employee whose employment terminates.

   However, the dependent's converted life insurance amount may not exceed the lesser of $2,000 or the amount for which the dependent was last insured under this benefit, reduced by any amount for which they are eligible under any other group life insurance policy within thirty-one (31) days of the termination of insurance.

   Such a policy will be effective on the 32nd day after the group life insurance terminates. Any individual life insurance policy issued under this conversion privilege is in lieu of all other benefits provided by this policy. If an employee's dependent dies during the thirty-one- (31) day conversion period, the Contractor shall, when provided with due proof of loss, pay the amount of life insurance the dependent was entitled to convert.

IV. OTHER SPECIFICATIONS

The Contractor shall provide a Basic, Optional and Dependent Life Insurance Program for PEBA in accordance with, at a minimum, the following.

A. Customer Service

1. The Contractor shall designate at least one individual as a contact person with PEBA. This individual shall have the authority to act for and bind the Contractor.

2. The Contractor's staff shall respond to all written inquiries from an insured individual, including physical mail, direct emails and secure messages submitted through the Contractor's online portal, within two (2) working days.

3. The Contractor shall handle customer service inquiries and claims filing from retirees, retirees' beneficiaries and personal representatives of the estate of a deceased retiree, as well as claims filing inquiries from employers, beneficiaries and personal representatives of the estate of a deceased employee.

4. The Contractor shall provide a dedicated encrypted email address and/or secure online interface for employers to communicate with the Contractor. An example includes, but is not limited to, the status of medical evidence decisions.

5. The Contractor shall provide a dedicated encrypted email address and/or secure online interface for the submission of conversion applications and continuation applications. The Contractor also will designate agents specifically trained on the continuation and conversion process to assist new retirees.

B. Communications and Training

1. The Contractor shall furnish communication information on the Basic, Optional and Dependent Life insurance programs to participants, employers and PEBA that describes the features, operation and any changes in the life insurance programs and increases awareness of the programs and changes. Communications with PEBA, participants and employers will be undertaken to ensure that electronic data transfer, fax, telephone and hard copy transfer of information are accurate as determined by PEBA.

2. The Contractor shall work collaboratively with PEBA's Communications Department and Insurance Policy staff to develop an annual marketing plan to promote the benefits of the life insurance programs. The Contractor shall provide recommendations to meet the long-term and short-term goals. PEBA will produce the final marketing plans with input from the Contractor. All collateral the Contractor produces is subject to approval by PEBA's Communications Department prior to actual use.

3. The Contractor shall provide at least one staff member with experience in marketing and communications for a quarterly communications conference call in which initiatives, campaigns and progress will be discussed. Recommend specific communications plans and goals in accordance with the overall management of the Basic, Optional and Dependent Life insurance programs during these calls. Reporting of general and targeted metrics and status updates, as well as operational updates, will be required as well. Other calls may be scheduled in addition to quarterly calls to meet deadlines for campaigns.

4. The Contractor shall cobrand all informational materials, letters, notices and collateral with PEBA's logo and the Contractor's logo according to PEBA's brand guidelines for vendors. The Contractor's logo should be labeled as "Insured by:" to reflect the relationship between PEBA and the Contractor. The Contractor should follow other guidelines including size of logo, colors, typography and other styles as identified in the brand guidelines and should adhere to Associated Press style guidelines. All materials must be reviewed and approved by PEBA's Communications Department prior to use.

5. The Contractor shall coordinate and submit to PEBA's Communications Department for its approval all standard forms and documentation the Contractor requires claimants to submit when requesting the payment of benefits provided under this Contract for both paper and online submission of claims. The Contractor shall not make any changes to its documents, requirements or procedures provided pursuant to this Contract without notifying PEBA of any proposed change and receiving the written approval of PEBA at least thirty (30) days in advance of the proposed change becoming effective.

6. The Contractor shall develop and distribute (including processing of returned mail), at its own expense, all approved communications materials and items as listed herein. Distribution of informational, general benefits-related and targeted marketing deliverables to active employees may be made through the employee's benefits administrator unless the information is specific to the employee's life insurance coverage, in which case the information must be mailed to the employee's address on file unless the employee has elected a paperless delivery option.

7. The Contractor shall maintain a secure, password protected transaction-enabled website specific to the Basic, Optional and Dependent Life insurance programs that allows Participants, at a minimum, access to provide medical evidence electronically, coverage information and claims data/history.

8. The Contractor shall provide a customized microsite that is accessible without entering a password that includes information on the Basic, Optional and Dependent Life insurance program benefits and features. The microsite shall explain the benefits and value of enrolling in life insurance, and any software programs residing on the microsite, shall be updated as needed to conform to applicable changes in federal laws and regulations. Microsite content must be reviewed and approved by PEBA's Communications Department prior to use

9. The Contractor shall not conduct any mass paper or electronic mailings to Participants, eligible employees or employers without the prior express permission of PEBA.

10. The Contractor shall provide materials and personnel, upon PEBA or employers' request, to attend events to promote the benefits of the Basic, Optional and Dependent Life insurance programs and to inform Participants of rules, updates, changes and features of the Basic, Optional and Dependent Life insurance programs, especially prior to and during the October open enrollment period. All materials distributed to employers, Participants and eligible employees are subject to prior approval by PEBA's Communication Department.

11. The Contractor shall provide personnel at PEBA's Benefits at Work conference, if requested, should the agency host a conference.

C. Reporting

1. The Contractor shall provide monthly electronic data files to PEBA to report participation in the Basic, Optional and Dependent Life Insurance programs. Such reports shall include a listing of premium amounts received and claims paid and pending during the month and year to date, along with other information PEBA may require.

2. The Contractor, within one hundred twenty (120) days after the final date for payment of claims for a plan year, shall issue a final report to PEBA listing individual participants for whom claims have been paid or are pending for the plan year.

3. The Contractor shall provide additional reports with data for program evaluation as requested by PEBA. PEBA will pay no additional charges for these reports or any other reports requested concerning the performance of the Contract.

4. The Contractor shall provide to PEBA a SOC1 Type 2 report by August 15 each year. Bridge letters are acceptable. The report should cover no less than 50% of the period in which the Contractor provided services to PEBA through June 30 of the same year. The Contractor shall provide additional financial data as requested.

5. The Contractor shall provide a comprehensive annual report on a basis acceptable to PEBA, including but not limited to, detail plan participation, claims utilization, and coverage levels broken down by Participant demographics. Furthermore, the Contractor must provide a formal peer comparison and benchmarking analysis. This analysis must compare PEBA's group life insurance plan design, enrollment trends and benefit maximums against other similar state government plans, public sector peers and national industry standards to assist PEBA in ongoing program evaluation.

D. Financial Arrangements, Billing and Collection of Premiums

1. The Contractor shall pay PEBA a flat fee of $500,000 each year as an administrative fee for enrollment, billing and other administrative services performed by PEBA related to the life insurance programs. The remittance should be sent by March 1 each plan year to PEBA via ACH transaction to the financial institution designated by PEBA.

2. PEBA shall pay the monthly premium to the Contractor by the 15th working day of the month. The first monthly payment will be payable to the Contractor on the 15th working day after January 1, 2028. All remittances from PEBA will be processed by ACH from the S.C. State Treasurer to the financial institution and account designated by the Contractor.

3. The Contractor's quoted premium shall be PEBA's full payment for all services the Contractor renders for the provision of Basic Life and Accidental Death and Dismemberment Insurance. PEBA will determine the total premium to be paid to the Contractor monthly, based on PEBA's eligibility file and the Contractor's quoted rate per enrolled employee. Enrolled employees shall include all active employees, including those on approved leave of absence, who are also enrolled in the State Health Plan, MUSC Health Plan or TRICARE Supplemental Plan.

4. The Optional Life Insurance with Accidental Death and Dismemberment coverage, Dependent Life-Spouse Insurance with Accidental Death and Dismemberment coverage and Dependent Life-Child Insurance programs will be on a voluntary, employee-pay-all basis. All premiums will be paid by the participants with no contribution by PEBA or the state of South Carolina.

5. Premiums for Dependent Life-Spouse coverage are the same as the Optional Life premiums and are based on the spouse's age.

6. The premium for Dependent Life-Child is one amount for $15,000 coverage, regardless of the number of children covered.

7. PEBA shall administer and be responsible for the billing and collecting of all premiums due from participating employers. PEBA shall create billing files monthly based on enrollment as of a scheduled date (annual billing file schedule will be available to Contractor). Billing will include enrollment additions, changes and terminations processed since the previous billing. New hires, coverage changes, transfers and terminations of participants will generate retroactive premium charges and credits, as applicable. PEBA retains the right to make retroactive adjustments to correct billing file errors.

   Retroactivity is any amount billed or credited for months prior to the current billing cycle. Retroactivity is a common occurrence and is determined by three factors:
   - The date the transaction is processed;
   - The effective date; and
   - The billing cycle.

   Some examples of enrollment transactions during billing cycles and potential retroactive charges and/or credits include:

   New hires/coverage changes/terminations The Participant or Employer completes an enrollment transaction. The Employer sets up the payroll deduction based on the effective date. The Employer submits the transaction to PEBA for processing. PEBA processes the transaction. The date PEBA processes the transaction determines the month that the transaction appears on the Employer's bill. The billing cycle and the effective date determine whether the Employer is billed or credited retroactively.

Transfers (actives and retirees) When a Participant transfers from one participating entity to another, the losing Employer submits a termination transaction to PEBA, and the gaining Employer sends a transfer transaction to PEBA for processing. Payroll deductions are stopped and begun at the respective Employer based on the effective date. PEBA processes the transactions and the date of processing determines the month that the transaction appears on the respective Employer's bill. The billing cycle and the effective date determine whether each Employer is billed or credited retroactively.

When a participant retires, the Employer submits a termination transaction to PEBA for processing. The Employer stops the payroll deduction based on the effective date. PEBA processes the termination transaction. The date PEBA processes the termination transaction determines the month that the transaction appears on the Employer's bill. The billing cycle and the effective date determine whether the Employer is credited retroactively.

8. PEBA shall remit premiums monthly to the Contractor. The remittance will be determined by the premium revenue generated by the monthly billing cycle. The remittance is not affected by the premium collection business process of PEBA.

F. Eligibility Determination and File Transmission

1. PEBA shall determine and maintain eligibility and enrollment information. PEBA shall provide the Contractor, on a frequency to be determined, an electronic termination file that will include all terminations since the last file transmission. The Contractor must support key-based SFTP data transfers unless otherwise preapproved by PEBA. PEBA's eligibility database shall be considered the system of record and eligibility data stored on the Contractor's system should mirror the eligibility data maintained by PEBA.

2. The Contractor shall use the data to manage the termination process. Upon receipt of a termination, if eligible, the Contractor shall notify the participant of the option to convert or continue coverage.

3. PEBA shall provide the Contractor, on a frequency to be determined, an electronic death file that will include demographic information, coverage and beneficiary information. The Contractor shall use the data to initiate the death claim process. The Contractor shall be able to accept, store and dynamically update up to a maximum of 20 beneficiary designations transmitted by PEBA or submitted directly by the Participant. The Contractor must ensure its systems do not impose character limits, maximum beneficiary caps or other technical constraints that would reject PEBA's transmitted beneficiary data or impede the claims submission process.

4. PEBA may decide to provide the Contractor, on a frequency to be determined, an electronic file of eligibility updates, including additions and changes since the last file transmission. The Contractor shall accept, maintain and update eligibility information from the files provided by PEBA. PEBA conforms to the Commercial X12 834 data transmission through electronic data interchange.

5. The Contractor shall provide a secure method for transfer of PHI/PII for employers and PEBA covered members. Secure online connections must support the most current best practice version of TLS for encryption, unless otherwise preapproved by PEBA. Transfer of PHI/PII via email must be encrypted per HIPAA.

6. PEBA shall provide the Contractor a weekly electronic file that will include all enrollments that require medical evidence since the last file transmission. The Contractor shall use this file to send the member a link to provide medical evidence electronically.

7. The Contractor shall provide a weekly medical evidence status file that includes approvals and denials to the appropriate employer.

G. Implementation Plan

1. The Contractor shall prepare, implement and execute a Final Implementation Plan. The Final Implementation Plan shall be based upon the proposed implementation plan and shall outline, in detail, all the tasks necessary to begin full operations on January 1, 2028. The Final Implementation Plan shall specify expected dates of completion of all necessary tasks, how the tasks will be accomplished and the identity of the person(s) responsible for each task.

2. The Contractor shall submit a Final Implementation Plan to PEBA's Procurement Officer for review and approval within 10 calendar days after the notice of intent to award becomes the final statement of award.

PART 4

QUALIFICATIONS

4.1 QUALIFICATIONS OF OFFEROR: (1) To be eligible for award, You must have the capability in all respects to perform fully the Contract requirements and the integrity and reliability which will assure good faith performance. PEBA may also consider a documented commitment from a satisfactory source that will provide you with a capability. PEBA may consider information from any source at any time prior to award. PEBA may elect to consider key personnel, any predecessor business and any key personnel of any predecessor business, including any facts arising prior to the date a business was established. (2) You must promptly furnish satisfactory evidence of responsibility upon request. Unreasonable failure to supply requested information is grounds for rejection. (3) Corporate subsidiaries are cautioned that the financial capability of an affiliated or parent company will not be considered in determining financial capability; however, PEBA may elect to consider any security (e.g., letter of credit, performance bond, parent- company corporate guaranty) that you offer to provide. Instructions and forms to help assure acceptability are posted at procurement.sc.gov, link to "Standard Clauses & Provisions."

Provide the following information or documentation for the Offeror. This information, and other information in PEBA's discretion, will be used to determine your responsibility:

1. Your most current financial statement, financial statements for your last two (2) fiscal years and information reflecting your current financial position. If you have audited financial statements meeting these requirements, you must provide those statements.
2. A list of failed projects, suspensions, debarments and significant litigation.

4.2 MANDATORY MINIMUM QUALIFICATIONS

For an Offeror to be considered for an award, it must demonstrate it possesses, as of the date of bid submission, all of the following minimum qualifications:

1. Be licensed by, and in good standing with, the South Carolina Department of Insurance to underwrite this class of business.
2. Have at least three (3) ratings within the top seven (7) rating categories as defined by the major insurance industry rating agencies (A.M. Best, Moody's, Standard & Poor, ISS, and Fitch).
3. Have at least $35 billion of group net life insurance volume in force.
4. Have a total of at least 350,000 lives enrolled in group life and accidental death and dismemberment insurance plans, and experience in working with at least one group of over 100,000 Employees nationwide.
5. Have experience working with a public or governmental benefit plan that is not subject to ERISA.

In its bid, each Bidder shall provide detailed and specific information to establish it satisfies each of these qualifications.

While PEBA believes a Bidder who does not meet these minimum requirements cannot successfully and fully perform the contract, Bidders are cautioned that the existence of these factors does not constitute a finding that a Bidder is responsible. In evaluating a Bidder's responsibility, the State Standards of Responsibility [R.19-445.2125] and information from any other source may be considered. A Bidder must, upon request of PEBA, furnish satisfactory evidence of its ability to meet all contractual requirements. Unreasonable failure to supply information promptly in connection with a responsibility inquiry may be grounds for determining the Bidder is ineligible to receive an award. S.C. Procurement Code Section 11-35-1810(2) and Regulation 19-445.2125(B).

Any Offeror not meeting these requirements will not be considered for award and therefore will not be evaluated. In its bid, each Offeror shall respond to this section and declare whether it meets the requirement and, if so, provide detailed specifics that satisfy that requirement.

PART 5

INFORMATION FOR OFFERORS TO SUBMIT

Bids will be accepted only from the entity that will be providing the services hereunder. **Offerors shall submit a signed transmittal sheet indicating it has submitted the following:**

1. One original USB with the Offeror's Bid. Include the Offeror's name, solicitation number and appropriate title on the label for hard copies and for USBs submitted in response to this IFB. (i.e., Acme Corp., PEBA0492026. **USB should be labeled as above with the Offeror's name clearly listed on the label.**

2. One redacted USB with the Offeror's Bid. Include the Offeror's name, solicitation number and appropriate title on the label for hard copies and for USBs submitted in response to this IFB. (i.e., Acme Corp., PEBA0492026. **USB should be labeled as above with the Offeror's name clearly listed on the label.**

3. One (1) original and one (1) identical spiral bound copy of the Offeror's Bid. Bids should be prepared on 8½" × 11" letter-size paper, spiral bound length-wise, with tabs to separate and cardstock or heavier front and back covers. Label copies, 1 of 2, 2 of 2, etc. **Do not submit GBC coil binding or three ring binders.**

5.1.1 Bidding Schedule

Offeror must complete the bidding schedule as included herein with no modifications.

5.1.2 All Other Pertinent Attachments

Complete all attachments.

PART 6

AWARD CRITERIA

6.1 AWARD CRITERIA -- BIDS (JAN 2006) Award will be made to the lowest responsible and responsive bidder(s).

PART 7

TERMS AND CONDITIONS -- A. GENERAL

7.1 ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE (FEB 2015): (a) Contractor shall not assign this contract, or its rights, obligations, or any other interest arising from this contract, or delegate any of its performance obligations, without the express written consent of the Procurement Officer. The foregoing restriction does not apply to a transfer that occurs by operation of law (e.g., bankruptcy; corporate reorganizations and consolidations, but not including partial asset sales). Notwithstanding the foregoing, Contractor may assign monies receivable under the contract provided that the state shall have no obligation to make payment to an assignee until thirty (30) days after Contractor (not the assignee) has provided the Procurement Officer with (i) proof of the assignment, (ii) the identity (by contract number) of the specific state contract to which the assignment applies, and (iii) the name of the assignee and the exact address or account information to which assigned payments should be made. (b) If Contractor amends, modifies, or otherwise changes its name, its identity (including its trade name), or its corporate, partnership or other structure, or its FEIN, Contractor shall provide the Procurement Officer prompt written notice of such change. (c) Any name change, transfer, assignment, or novation is subject to the conditions and approval required by Regulation 19-445.2180, which does not restrict transfers by operation of law.

7.2 BANKRUPTCY – GENERAL (FEB 2015): (a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to PEBA. This notification shall be furnished within two (2) business days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all PEBA contracts against which final payment has not been made. This notification obligation remains in effect through the twelve (12) month post-termination transition period under this Contract. (b) Termination. This Contract is voidable and subject to immediate termination by PEBA upon the Contractor's insolvency, including the filing of proceedings in bankruptcy.

7.3 CHOICE-OF-LAW (JAN 2006): The Agreement, any dispute, claim, or controversy relating to the Agreement, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by this solicitation.

7.4 CONTRACT AWARDED PURSUANT TO CODE (MAR 2024): Any contract resulting from this solicitation is formed pursuant to the South Carolina Consolidated Procurement Code and is deemed to incorporate all applicable provisions thereof and the ensuing regulations. See also clause titled "Code of Laws Available." [07-7A012-1]

7.5 CONTRACT DOCUMENTS & ORDER OF PRECEDENCE (MAY 2024):
(a) Any contract resulting from this solicitation shall consist of the following documents: (1) the solicitation, as amended, (2) your offer, as amended, (3) any statement reflecting the State's final acceptance (a/k/a "award"), and (4) purchase orders. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.
(b) The terms and conditions of documents (1) through (4) above shall apply notwithstanding any additional or different terms and conditions in any other document, including without limitation, (i) any instrument submitted by the State other than a purchase order, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed by the solicitation, the terms and conditions of all such documents and any purchase orders shall be void and of no effect.
(c) No contract, license, or other agreement containing contractual terms and conditions will be signed by any Using Governmental Unit. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect. [07-7A015-2]

7.6 DISCOUNT FOR PROMPT PAYMENT: (a) Discounts for prompt payment will not be considered in the evaluation of offers. However, any offered discount will form a part of the award and will be taken if payment is made within the discount period indicated in the offer by the offeror. As an alternative to offering a discount for prompt payment in conjunction with the offer, offerors awarded contracts may include discounts for prompt payment on individual invoices. (b) In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. If the Contractor has not placed a date on the invoice, the due date shall be calculated from the date the designated billing office receives a proper invoice, provided PEBA annotates such invoice with the date of receipt at the time of receipt. For the purpose of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or, for an electronic funds transfer, the specified payment date. When the discount date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day.

7.7 DISPUTES: (1) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by PEBA regarding the Agreement is not a waiver of either PEBA's or the State of South Carolina's sovereign immunity or immunity under the Eleventh Amendment of the United States' Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by this solicitation. PEBA does not consent to the jurisdiction of any judicial or administrative tribunals in any other state or to any forum of alternative dispute resolution. (2) Service of Process. Contractor consents that any papers, notices, or process necessary for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

7.8 EQUAL OPPORTUNITY (JAN 2006): Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference.

7.9 FALSE CLAIMS (JAN 2006): According to the S.C. Code of Laws Section 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime.

7.10 FIXED PRICING REQUIRED (JAN 2006): Any pricing provided by Contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, Contractor's price shall be fixed for the duration of this contract, including option terms. This clause does not prohibit Contractor from offering lower pricing after award.

7.11 NO INDEMNITY OR DEFENSE: Any term or condition is void to the extent it requires PEBA to indemnify, defend, or pay attorney's fees to anyone for any reason.

7.12 NOTICE (JAN 2006): (A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to Contractor shall be to the address identified as the Notice Address on Page Two. Notice to PEBA shall be to the Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph.

7.13 OPEN TRADE (JUN 2015): During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in S.C. Code Section 11-35-5300.

7.14 PAYMENT & INTEREST: (a) PEBA shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by PEBA. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check mailed to the payment address on "Page Two." (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, or Chapter 6 of Title 29 (real property improvements) when applicable, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, PEBA shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to PEBA shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended, unless otherwise required by Section 29-6-30. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. (f) PEBA shall have all of its common law, equitable, and statutory rights of set-off.

7.15 PUBLICITY: Contractor shall not publish any comments or quotes by PEBA or State of South Carolina employees or include PEBA or the State of South Carolina in either news releases or a published list of customers without the prior written approval of the Procurement Officer.

7.16 PURCHASE ORDERS (JAN 2006): Contractor shall not perform any work prior to the receipt of a purchase order from PEBA. Purchase orders may be used to elect options available under this contract, e.g., quantity, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order.

7.17 SURVIVAL OF OBLIGATIONS (JAN 2006): The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Indemnification - Intellectual Property, Contract Documents and Order of Precedence, HIPAA Compliance/Confidentiality, and any provisions regarding warranty or audit.

7.18 TAXES (JAN 2006): Any tax the Contractor may be required to collect or pay upon the sale, use, or delivery of the products shall be paid by PEBA, and such sums shall be due and payable to the Contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by PEBA. It shall be solely PEBA's obligation, after payment to Contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to Contractor by the taxing authority. In the event that the Contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by PEBA to the Contractor, Contractor shall be liable to PEBA for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on the Contractor's net income or assets shall be the sole responsibility of the Contractor.

7.19 TERMINATION DUE TO UNAVAILABILITY OF FUNDS (JAN 2006): Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the Contract shall be canceled. In the event of a cancellation pursuant to this paragraph, Contractor will be reimbursed the resulting unamortized, reasonably incurred, nonrecurring costs. Contractor will not be reimbursed any costs amortized beyond the initial contract term.

7.20 THIRD PARTY BENEFICIARY (JAN 2006): This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise.

7.21 WAIVER (JAN 2006): PEBA does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of PEBA's rights under this Contract. Any waiver must be in writing.

TERMS AND CONDITIONS -- B. SPECIAL

7.22 ADVERTISING USE AND REPRESENTATION: CONTACT WITH STATE ENTITIES: The Contractor agrees not to refer to the award of this contract in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by PEBA or the State of South Carolina or is considered by PEBA or the State of South Carolina to be superior to other products or services. PEBA reserves the right to review and approve any commercial advertising to which PEBA's use of Contractor's services and/or supplies under this Contract is referred. Such review shall be timely and approval shall not be unreasonably withheld. The Contractor shall not perform any mass mailings to participants without the permission of PEBA. At no time during the term of the Contract or otherwise, shall any employee of the Contractor use any data, name, address or other information received by the Contractor or Subcontractor pursuant to this Contract for any purpose other than performance of the contract. Any violation of this clause is a material breach of contract. The parties acknowledge the difficulties inherent in determining the damage from any breach of these restrictions. Contractor shall pay PEBA liquidated damages of $1,000 per person or employer contacted, or each piece of data used for purposes other than performance of this contract, up to a maximum of $50,000 per incident.

7.23 ATTORNEY'S FEES: In the event that PEBA brings suit or action to compel performance of or recover for any breach of any stipulation, covenant, term, or condition of this Contract, PEBA may seek attorneys' fees from the Contractor and the Contractor will pay to PEBA such attorneys' fees as the court may award. Contractor will, in all instances, bear its own attorneys' fees and expenses.

7.24 BANKRUPTCY – GOVERNMENT INFORMATION (FEB 2015): (a) All government information (as defined in the clause herein entitled "Information Security - Definitions") shall belong exclusively to PEBA, and Contractor has no legal or equitable interest in, or claim to, such information. Contractor acknowledges and agrees that in the event Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, government information in its possession and/or under its control will not be considered property of its bankruptcy estate. (b) Contractor agrees to notify PEBA within two (2) business days of any determination that it makes to file for bankruptcy protection, and Contractor further agrees to turn over to PEBA, before such filing, all government information that is in Contractor's possession in a format that can be readily utilized by PEBA. (c) In order to protect the integrity and availability of government information, Contractor shall take reasonable measures to evaluate and monitor the financial circumstances of any subcontractor that will process, store, transmit or access government information.

7.25 CHANGES (JAN 2006): (1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes to the term of the Contract or within the general scope of this Contract in any one or more of the following:

(a) drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for PEBA in accordance therewith;
(b) method of shipment or packing;
(c) place of delivery;
(d) description of services to be performed;
(e) time of performance (i.e., hours of the day, days of the week, etc.); or,
(f) place of performance of the services.

Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract. (2) Adjustments of Price or Time for Performance. If any such change increases or decreases the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made in the Contract price, the delivery schedule, or both, and the Contract modified in writing accordingly. Failure of the parties to agree to an adjustment shall not excuse the Contractor from proceeding with the Contract as changed, provided that PEBA promptly and duly makes such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion. (3) Time Period for Claim. Within 30 days after receipt of a written Contract Modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the Contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Contractor's claim unless PEBA is prejudiced by the delay in notification. (4) Claim Barred After Final Payment. No claim by the Contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

7.26 COMPLIANCE WITH LAWS (JAN 2006): During the term of the Contract, Contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs.

7.27 CONFERENCE – PRE-PERFORMANCE (JAN 2006): Unless waived by the Procurement Officer, a pre-performance conference between the Contractor, PEBA, and Procurement Officer shall be held at a location selected by PEBA within five (5) days after final award, and prior to commencement of work under the Contract. The responsibilities of all parties involved will be discussed to assure a meeting of the minds of all concerned. The Contractor or his duly authorized representative shall be required to attend at Contractor's expense.

7.28 CONTRACT INTERPRETATON: In the event there are any disagreements between the parties with regards to the application of this Contract or the requirements of PEBA arising from any interpretation of the Invitation for Bid, this Contract, or otherwise, Contractor agrees to defer to the reasonable interpretations of PEBA as from time to time may be made by PEBA. This provision applies to all matters including those arising from disputes concerning whether Contractor is required to provide some service or item, including scope of work issues, and whether particular items or services were included in the scope of work agreed to by the parties in this Contract or otherwise. In summary, if both parties have a reasonable interpretation regarding application of the contract, Contractor agrees to defer to PEBA's interpretation.

The above requirements shall apply to any change orders, contract modifications, or other deviations to this agreement. Failure to receive the prior written and express approval of PEBA prior to implementing any changes to the requirements provided for hereunder, for which requests for extra or additional compensation are thereafter submitted by the Contractor to PEBA, shall impose no liability for payment upon PEBA and may be rejected by PEBA without recourse.

7.29 CONTRACT LIMITATIONS (JAN 2006): No sales may be made pursuant to this Contract for any item or service that is not expressly listed. No sales may be made pursuant to this Contract after expiration of this Contract. Violation of this provision may result in termination of this Contract and may subject contractor to suspension or debarment. [07-7B045-1]

7.30 CONTRACTOR PERSONNEL (JAN 2006): The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them. [07-7B060-1]

7.31 CONTRACTOR'S LIABILITY INSURANCE-GENERAL (FEB 2015): (a) Without limiting any of the obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A: VII, and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work and the results of that work by the Contractor, his agents, representatives, employees or subcontractors. (b) Coverage shall be at least as broad as:
(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 04/13 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. This contract shall be considered to be an "insured contract" as defined in the policy.
(2) Worker's Compensation: As required by the State of South Carolina, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease.
(b) PEBA, its officers, officials, employees, and volunteers must be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided through the addition of both CG 20 10 and CG 20 37 if a later edition is used.
(c) For any claims related to this contract, the Contractor's insurance coverage in which PEBA is included as an additional insured shall be primary insurance as respects the State, PEBA, and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the State, PEBA, or its officers, officials, employees, and volunteers shall be excess of the Contractor's insurance and shall not contribute with it. Policy should be endorsed with Primary and Non-Contributory-Other Insurance Condition CG 20 01.
(d) Prior to commencement of the work, the Contractor shall furnish PEBA with original industry standard Acord certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by PEBA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. PEBA reserves the right to require complete, certified copies of all required insurance

policies, including endorsements required by this section, at any time.
(e) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify PEBA immediately upon receiving any information that any of the coverages required by this section are or will be changed, cancelled, or replaced.
(f) Contractor hereby grants to the State and PEBA a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or PEBA by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or PEBA has received a waiver of subrogation endorsement from the insurer.
(g) Any deductibles or self-insured retentions must be declared to and approved by PEBA. PEBA may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
(h) PEBA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

7.32 CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015):
(a) Without limiting any other obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A-: VII, and maintain for the duration of the contract, a policy or policies of insurance against claims which may arise from or in connection with the performance of the work and the results of that work by the contractor, his agents, representatives, employees, subcontractors or any other entity for which the contractor is legally responsible.
(b) Coverage must include claims for:
(i) information security risks, including without limitation, failure to prevent unauthorized access to, tampering with or unauthorized use of a computer system; introduction of malicious codes, computer viruses, worms, logic bombs, etc., into data or systems; or theft, damage, unauthorized disclosure, destruction, or corruption of information in whatever form;
(ii) privacy risks, including (A) failure to properly handle, manage, store, destroy, or otherwise control non-public personally identifiable information in any format; (B) loss or disclosure of confidential information; and (C) any form of invasion, infringement or interference with rights of privacy, including breach of security/privacy laws or regulations;
(iii) contractual liability for the contractor's obligations described in the clauses titled "Indemnification - Third Party Claims – Disclosure Of Information" and "Information Use And Disclosure;" and
(iv) errors, omissions, or negligent acts in the performance, by the contractor or by any entity for which the contractor is legally responsible, of professional services included in the work.
(c) If the work includes content for internet web sites or any publications or media advertisements, coverage must also include claims for actual or alleged infringement of intellectual property rights, invasion of privacy, as well as advertising, media and content offenses.
(d) If the work includes software, coverage must also include claims for intellectual property infringement arising out of software and/or content (with the exception of patent infringement and misappropriation of trade secrets)
(e) Coverage shall have limits no less than five million ($5,000,000.00) dollars per occurrence and ten million ($10,000,000.00) dollars aggregate.
(f) If the insurance required by this clause is procured on a form affording "claims-made" coverage, then (i) all limits stated above as "per occurrence" shall be understood to mean "per claim" or "per occurrence," as is consistent with the terms of the "claims-made" policy; and (ii) such claims-made insurance shall provide for a retroactive date no later than the date the contract is awarded.

(g) All terms of this clause shall survive termination of the contract and shall continue until thirty (30) days past the final completion of the work, including the performance of any warranty work. In addition, contractor shall maintain in force and effect any "claims- made" coverage for a minimum of two (2) years after final completion of all work or services to be provided hereunder. Contractor shall purchase an extended reporting period, or "tail coverage," if necessary to comply with the latter requirement.
(h) PEBA and its officers, officials, employees, and volunteers of any of them, must be covered as additional insureds on the policy or policies of insurance required by this clause.
(i) For any claims related to this Contract, the insurance coverage required by this clause shall be primary insurance as respects PEBA and its officers, officials, employees, and volunteers of any of them. Any insurance or self-insurance maintained by PEBA and its officers, officials, employees, and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.
(j) Prior to commencement of the work, the Contractor shall furnish PEBA with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. PEBA reserves the right to require complete, certified copies of all required insurance policies, including policy declarations and any endorsements required by this section, at any time.
(k) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify PEBA immediately upon receiving any information that any of the coverages required by this clause are or will be changed, cancelled, or replaced.
(l) Contractor hereby grants to PEBA a waiver of any right to subrogation which any insurer of said Contractor may acquire against PEBA by virtue of the payment of any loss under such insurance as is required by this clause. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not PEBA has received a waiver of subrogation endorsement from the insurer.
(m) Any deductibles or self-insured retentions must be declared to and approved by PEBA. PEBA may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

7.33 CONTRACTOR'S OBLIGATION - GENERAL (JAN 2006): The Contractor shall provide and pay for all materials, tools, equipment, labor, and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The Contractor must act as the prime contractor and assume full responsibility for any Subcontractor's performance. The Contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements.

7.34 DEFAULT (JAN 2006): (a) (1) PEBA may, subject to paragraphs (c) and (d) of this clause, by written notice of default to the Contractor, terminate this Contract in whole or in part if the Contractor fails to:
(i) Deliver the supplies or to perform the services within the time specified in this Contract or any extension;
(ii) Make progress, so as to endanger performance of this Contract (but see paragraph (a)(2) of this clause); or
(iii) Perform any of the other material provisions of this Contract (but see paragraph (a)(2) of this clause).
(2) PEBA's right to terminate this Contract under subdivisions (a)(1)(ii) and (1)(iii) of this clause may be exercised if the Contractor does not cure such failure within ten (10) days (or more if authorized in writing by the Procurement Officer) after receipt of the notice from the Procurement Officer specifying the failure.
(b) If PEBA terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the Procurement Officer considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to PEBA for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.

(c) Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the State in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes,
(8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
(d) If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.
(e) If this Contract is terminated for default, PEBA may require the Contractor to transfer title and deliver to PEBA, as directed by the Procurement Officer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Procurement Officer, the Contractor shall also protect and preserve property in its possession in which PEBA has an interest.
(f) PEBA shall pay contract price for completed supplies delivered and accepted. The Contractor and Procurement Officer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property; if the parties fail to agree, the Procurement Officer shall set an amount subject to the Contractor's rights under the Disputes clause. Failure to agree will be a dispute under the Disputes clause. PEBA may withhold from these amounts any sum the Procurement Officer determines to be necessary to protect PEBA against loss because of outstanding liens or claims of former lien holders.
(g) If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall, if the Contract contains a clause providing for termination for convenience of the State, be the same as if the termination had been issued for the convenience of the State. If, in the foregoing circumstances, this contract does not contain a clause providing for termination for convenience of the State, the contract shall be adjusted to compensate for such termination and the contract modified accordingly subject to the contractor's rights under the Disputes clause.
(h) The rights and remedies of PEBA in this clause are in addition to any other rights and remedies provided by law or under this contract.

7.35 DUTIES UPON TERMINATION: Upon expiration or termination of the Contract for any reason, the Contractor shall provide full cooperation to PEBA and any successor Contractor so that the transition to PEBA or a subsequent Contractor will be efficiently accomplished without any disruption in claims processing, claims payments, or services to participants and providers.

Within ten (10) working days following notice of termination of the Contract, the Contractor shall deliver to PEBA a detailed transition plan, including all information regarding current operations requested by PEBA, that PEBA, in its sole discretion, feels is necessary to effectuate a smooth transition to a successor contractor. No later than sixty (60) days before the end of the term of the Contract, the Contractor shall provide any and all materials, data, records, databases, software, and all other things in the Contractor's possession to PEBA or the successor Contractor at no additional cost to PEBA, including:

(1) all participants information received during the term of the contract,
(2) sufficient information and technical assistance on current operations to assure that the transition can be achieved without disruption of ongoing operations.

For a year following the termination of the Contract, the Contractor shall provide any continuing support and/or information to PEBA and the successor contractor necessary to complete the transition and resolve outstanding claims, accounting, and customer service issues. Performance Guarantees will continue to apply during this period of transition.

In the event that PEBA has not secured alternate sources for the supplies and/or services under this Contract at the expiration of, or following termination of the Contract for any reason, the Contractor agrees to continue to perform hereunder at the then-applicable prices and terms until such alternate source is obtained and any transition period required to maintain continuity has been successfully completed.

7.36 ILLEGAL IMMIGRATION (NOV. 2008): (An overview is available at www.procurement.sc.gov) By signing your offer, you certify that you will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agree to provide to the State upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." You agree to include in any contracts with your subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-subcontractors to comply with the applicable requirements of Title 8, Chapter 14.

7.37 LAWSUIT NOTIFICATION AND COOPERATION. The Contractor shall notify PEBA of any lawsuit or legal claim asserted, brought, filed, or served against the Contractor arising out of or in connection with the goods or services acquired hereunder. Notification shall be made within two (2) business days after the date Contractor first learns, by any means, of the legal claim or lawsuit. The Contractor will keep PEBA apprised of all documents filed in the lawsuit, and, to the extent possible, allow PEBA the opportunity to review and provide input on the Contractor's draft documents before they are filed. PEBA will, at all times, retain the right to choose its own counsel and control its own defense. The Contractor also agrees to cooperate with PEBA and provide data, information, and documentation necessary to pursue litigation filed by or on behalf of PEBA against any party.

7.38 INDEMNIFICATION – THIRD PARTY CLAIMS - GENERAL.

(a) Notwithstanding any limitation in this Contract, and to the fullest extent permitted by law, Contractor will indemnify PEBA for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages from all suits or claims of any character brought by a third party, when the third party's claims arise out of or are in connection with the goods or services acquired under this Contract, whether caused in whole or in part by any act or omission of Contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, and regardless of whether or not caused in part by PEBA. The Contractor shall be required to indemnify under this section regardless of its own fault, but if PEBA's negligence is determined by the appropriate court to be the sole proximate cause of the suit or claim, the Contractor will not be required to indemnify PEBA under this paragraph. PEBA will, at all times, retain the right to choose its own counsel and control its own defense.

(b) PEBA may, at its sole discretion, request Contractor to provide defense of the third party claim or suit. If PEBA elects defense, Contractor will bear full responsibility for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages resulting from the suit or claim. PEBA will give Contractor timely notice of the suit or claim. PEBA's failure to provide or delay in providing such notice will relieve Contractor of its obligations under this subparagraph only if and to the extent that such delay or failure materially prejudices Contractor's ability to defend such action. Contractor must provide counsel acceptable to PEBA. Contractor will keep PEBA apprised of all documents filed or sent to the third party in the claim or suit and allow PEBA the opportunity to review and provide input on the Contractor's draft documents before they are filed or sent. PEBA

reserves the right to revoke its request for defense at any point and to undertake responsibility for its own defense, in which case Contractor will be required to indemnify PEBA under subparagraph (a) of this paragraph. Contractor may not, without PEBA's prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened action, suit, or claim.

(c) Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause will not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist at law or in equity. The obligations of this paragraph will survive termination, cancelation, or expiration of this Contract. This provision will be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance.

7.39 INDEMNIFICATION - THIRD PARTY CLAIMS – DISCLOSURE OF INFORMATION:

(a) Notwithstanding any limitation in this Contract, and to the fullest extent permitted by law, Contractor will indemnify PEBA for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages from all suits or claims by a third party which arise out of or in connection with a disclosure of government information (as defined in the clause titled Information Security - Definitions) caused in whole or in part by any act or omission of Contractor, its subcontractors at any tier, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by PEBA. The Contractor shall be required to indemnify under this section regardless of its own fault, but if PEBA's negligence is determined by the appropriate court to be the sole proximate cause of the suit or claim, the Contractor will not be required to indemnify PEBA under this section. PEBA will, at all times, retain the right to choose its own counsel and control its own defense.

(b) PEBA may, at its sole discretion, request Contractor to provide defense of the third party claim or suit. If PEBA elects defense, Contractor will bear full responsibility for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages resulting from the suit or claim. PEBA will give Contractor timely notice of the suit or claim. PEBA's failure to provide or delay in providing such notice will relieve Contractor of its obligations under this subparagraph only if and to the extent that such delay or failure materially prejudices Contractor's ability to defend such action. Contractor must provide counsel acceptable to PEBA. The Contractor will keep PEBA apprised of all documents filed or sent to the third party in the claim or suit and, to the extent practicable, allow PEBA the opportunity to review and provide input on the Contractor's draft documents before they are filed or sent. Contractor may not, without PEBA's prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened action unless such settlement, compromise, or consent (i) includes an unconditional release of PEBA from all liability related to such commenced or threatened action, and (ii) is solely monetary in nature and does not include a statement as to, or an admission of fault, culpability, or failure to act by or on behalf of PEBA or otherwise adversely affect PEBA. PEBA's consent is necessary for any settlement that requires PEBA to part with any right or make any payment or subjects PEBA to any injunction. PEBA reserves the right to revoke its request for defense at any point and to undertake responsibility for its own defense, in which case Contractor will be required to indemnify PEBA under subparagraph (a) of this paragraph.

(c) Notwithstanding any other provision, Contractor's obligations pursuant to this clause are without any limitation whatsoever. Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of the contract. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance.

7.40 INFORMATION SECURITY - DEFINITIONS (FEB 2015): The following definitions are used in those clauses that cross reference this clause.

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object may have occurred. Without limitation, the term "compromise" includes copying the data through covert network channels, or copying the data to unauthorized media, or disclosure of information in violation of any obligation imposed by this contract.

Data means a subset of information in an electronic format that allows it to be retrieved or transmitted.
Government information means information (i) provided to Contractor by, or generated by Contractor for, PEBA, or (ii) acquired or accessed by Contractor as a result of performing the Work. Without limiting the foregoing, government information includes any information that Contractor acquires or accesses by software or web-based services, which includes, without limitation, any metadata or location data. Government information excludes unrestricted information.
Information means any communication or representation of knowledge such as facts, statistics, or opinions, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual.
Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.
Public information means any specific information, regardless of form or format, that the State has actively and intentionally disclosed, disseminated, or made available to the public. Information is not public information solely because it may be subject to inspection pursuant to an unfulfilled public records request.
Software means any computer program accessed or used by PEBA or a third party pursuant to or as a result of this contract.
Third party means any person or entity other than PEBA, the Contractor, or any subcontractors at any tier.
Unrestricted information means (1) public information acquired other than through performance of the work, (2) information acquired by Contractor prior to contract formation, (3) information incidental to your contract administration, such as financial, administrative, cost or pricing, or management information, and (4) any ideas, concepts, know-how, methodologies, processes, technologies, techniques which Contractor develops or learns in connection with Contractor's performance of the work.
Web-based service means a service accessed over the Internet and acquired, accessed, or used by the using governmental unit or a third party pursuant to or as a result of this contract, including without limitation, cloud services, software-as-a-service, and hosted computer services.

7.41 INFORMATION SECURITY - SAFEGUARDING REQUIREMENTS (FEB 2015)

(a) *Definitions*. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions. In addition, as used in this clause—
Clearing means removal of data from an information system, its storage devices, and other peripheral devices with storage capacity, in such a way that the data may not be reconstructed using common system capabilities (i.e., through the keyboard); however, the data may be reconstructed using laboratory methods.
Intrusion means an unauthorized act of bypassing the security mechanisms of a system.
Media means physical devices or writing surfaces including but not limited to magnetic tapes, optical disks, magnetic disks, large scale integration memory chips, and printouts (but not including display media, e.g., a computer monitor, cathode ray tube (CRT) or other (transient) visual output) onto which information is recorded, stored, or printed within an information system.
Safeguarding means measures or controls that are prescribed to protect information.
Voice means all oral information regardless of transmission protocol.
(b) *Safeguarding Information*. Without limiting any other legal or contractual obligations, Contractor shall implement and maintain reasonable and appropriate administrative, physical, and technical safeguards (including without limitation written policies and procedures) for protection of the security, confidentiality and integrity of the government information in its possession. In addition, Contractor shall apply security controls when the Contractor reasonably determines that safeguarding requirements, in addition to those identified in paragraph (c) of this clause, may be required to provide adequate security, confidentiality and integrity in a dynamic environment based on an assessed risk or vulnerability. Contractor shall comply fully with all current and future updates of the information security requirements of PEBA, as outlined in this Contract and as provided during the term of the Contract.
(c) *Safeguarding requirements and procedures*. Contractor shall apply the following basic safeguarding requirements to protect government information from unauthorized access and disclosure:
(1) Protecting information on public computers or Web sites*:* Do not process government information on public computers (e.g., those available for use by the general public in kiosks, hotel business centers) or computers

that do not have access control. Government information shall not be posted on Web sites that are publicly available or have access limited only by domain/Internet Protocol restriction. Such information may be posted to web pages that control access by user ID/password, user certificates, or other technical means, and that provide protection via use of security technologies. Access control may be provided by the intranet (versus the Web site itself or the application it hosts).

(2) Transmitting electronic information. Transmit email, text messages, blogs, and similar communications that contain government information using technology and processes that provide the best level of security and privacy available, given facilities, conditions, and environment.

(3) Transmitting voice and fax information. Transmit government information via voice and fax only when the sender has a reasonable assurance that access is limited to authorized recipients.

(4) Physical and electronic barriers. Protect government information by at least one physical and one electronic barrier (e.g., locked container or room, login and password) when not under direct individual control.

(5) Sanitization. At a minimum, clear information on media that have been used to process government information before external release or disposal. Overwriting is an acceptable means of clearing media in accordance with National Institute of Standards and Technology 800–88, Guidelines for Media Sanitization, at https://csrc.nist.gov/pubs/sp/800/88/r2/final.

(6) Intrusion protection. Provide at a minimum the following protections against intrusions and compromise:

(i) Current and regularly updated malware protection services, e.g., anti-virus, antispyware.

(ii) Prompt application of security-relevant software upgrades, e.g., patches, service packs, and hot fixes.

(7) Transfer limitations. Transfer government information only to those subcontractors that both require the information for purposes of contract performance and provide at least the same level of security as specified in this clause.

(d) *Subcontracts.* Any reference in this clause to Contractor also includes any subcontractor at any tier. Contractor is responsible for, and shall impose by agreement requirements at least as secure as those imposed by this clause on, any other person or entity that contractor authorizes to take action related to government information.

(e) *Due Diligence*. Contractor shall complete a due diligence process annually or as otherwise requested by PEBA or a PEBA designated third party. This process may include a written questionnaire and in some cases could require an onsite visit from PEBA or a PEBA designated third party.

(f) *Background Checks.* Contractor shall ensure its staff shall have a criminal background check completed prior to accessing systems and/or applications that contain PEBA data. The background check shall be nationwide and, at a minimum, include federal, state, and county records where the Contractor's staff member has resided for the past seven years. PEBA maintains the right to request a third party vendor or an individual who is involved with PEBA data and/or systems be removed from the further interaction with PEBA's data and/or systems.

(g) *Training.* Contractor shall provide security and privacy training, at least annually, for all staff members who have access to systems and/or applications that contain PEBA data.

(h) *Other contractual requirements regarding the safeguarding of information.* This clause addresses basic requirements and is subordinate to any other contract clauses or requirements to the extent that it specifically provides for enhanced safeguarding of information or information systems.

7.42 INFORMATION SECURITY – DATA LOCATION (FEB 2015): Contractor is prohibited from accessing, processing, transmitting, or storing government information, as defined in the clause titled Information Security, outside the United States. This obligation is a material requirement of this contract.

7.43 INFORMATION USE AND DISCLOSURE (FEB 2015): Except to the extent necessary for performance of the work, citizens should not be required to share information with those engaged by the government in order to access services provided by the government and such information should be used by those engaged by the government only to the extent necessary to perform the work acquired; accordingly, this clause addresses basic requirements for the Contractor's use and disclosure of government information, which expressly includes, but is not limited to, information provided by or obtained from the citizens. Anonymizing information does not resolve the foregoing concern. This clause should be broadly interpreted to effectuate this intent. Every

obligation in this clause is material. Absent express reference to this clause, this clause supersedes any other clause to the extent of any inconsistency unless and to the extent the other clause provides greater protection for government information.

(a) *Definitions.* The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions.

(b) *Legal mandates*. Contractor shall be permitted to use, disclose, or retain government information to the limited extent necessary to comply with any requirement imposed on Contractor by law. If it is necessary for Contractor to use, disclose, or retain government information in order to comply with a law, Contractor shall provide using governmental unit with written notice, including a description of the circumstances and applicable law, in advance of such use, disclosure or retention except to the extent expressly prohibited by law.

(c) *Flow down.* Any reference in this clause to Contractor also includes any subcontractor at any tier. Contractor is responsible for, and shall impose by agreement the requirements of this clause on, any other person or entity that contractor authorizes to take action related to government information.

(d) *Collecting Information*. Contractor must gather and maintain government information only to the minimum extent necessary to accomplish the work.

(e) *Rights, Disclosure and Use.* Except as otherwise expressly provided in this solicitation, Contractor agrees NOT to either (1) use or disclose government information, or (2) retain government information after termination or expiration of this contract. Contractor acquires no rights in any government information except the limited rights to use, disclose and retain the government information in accordance with the terms of this solicitation. To the extent reasonably necessary to perform the work, Contractor may: (i) use (including access, process, transmit, and store) and maintain the government information itself; and (ii) disclose government information to persons having a need-to-know (e.g., subcontractors). Before disclosing government information to a subcontractor or third party, Contractor shall give PEBA detailed written notice of both the reason for disclosure and the identity and location of the recipient. The notice shall be provided no later than fifteen (15) business days in advance of the disclosure.

(f) *Return*. Notwithstanding PEBA's failure to perform or the pendency of a dispute, Contractor agrees to promptly deliver to PEBA (or destroy, at PEBA's option) all government information in its possession as and upon written request of PEBA (provided that, if the contract has not expired or been terminated, Contractor shall be excused from the performance of any work reasonably dependent on Contractor's further access to such government information).

(g) *Privacy Policy & Applicable Laws*. Without limiting any other legal or contractual obligations imposed by this contract or the law, Contractor shall (a) comply with its own privacy policies and written privacy statements relevant to the work, and (b) comply with (1) all laws applicable to Contractor regarding government information, and (2) all laws and standards identified in the clause, if included, entitled Information Use and Disclosure – Standards.

(h) *Actions Following Unintended Disclosure*. Immediately upon discovery of a compromise or improper use of government information, Contractor shall take such action as may be necessary to preserve forensic evidence and eliminate the cause of the compromise or improper use. As soon as practicable, but no later than two business days after discovery, Contractor shall notify PEBA of the compromise or improper use, including a description of the circumstances of the use or compromise. As soon as practicable after discovery, Contractor shall undertake a thorough forensic investigation of any compromise or improper use and provide PEBA all information necessary to enable PEBA to fully understand the nature and extent of the compromise or improper use. With regard to any compromise or improper use of government information, Contractor shall: (1) provide any notification to third parties legally required to be provided such notice by Contractor, and if not (e.g., if legally required of PEBA), Contractor shall reimburse PEBA for the cost of providing such notifications; (2) pay all costs and expenses for at least two years of identity theft monitoring services (including without limitation, credit monitoring) and identity theft restoration services for any such affected individuals receiving notice where such services are appropriate given the circumstances of the incident and the nature of the information compromised; (3) undertake any other measures that are customary and reasonable for an entity to take when experiencing a similar disclosure, (4) pay any related fines or penalties imposed on PEBA, and (5) reimburse PEBA all costs reasonably incurred for communications and public relations services involved in responding to the compromise or improper use.

Notwithstanding any other provision, contractor's obligations pursuant to this item (h) are without limitation.
(i) *Survival & Remedy.* All the obligations imposed by this paragraph are material. The obligations of this section shall survive termination or expiration of the contract. Without limiting any rights PEBA may have, and notwithstanding any other term of this contract, Contractor agrees that PEBA may have no adequate remedy at law for a breach of Contractor's obligations under this clause and therefore PEBA shall be entitled to pursue equitable remedies in the event of a breach of this clause.

7.44 INFORMATION USE AND DISCLOSURE – STANDARDS (FEB 2015): To the extent applicable:
(a) Breach of security of state agency data; notification; rights and remedies of injured parties; penalties; notification of Consumer Protection Division, S.C. Code Ann. § 1-11-490.
(b) South Carolina Financial Identity Fraud and Identity Theft Protection Act (FIFITPA), 2008 Act 190, as amended. Solely for purposes of Section 39-1-90 of the South Carolina Code of Laws, as amended, Contractor is deemed to be the owner of government information, as defined herein, and Contractor agrees that PEBA is not a licensee.
(c) The South Carolina Family Privacy Protection Act of 2002, S.C. Code Ann. §§ 30-2-10, *et seq.*
(d) Personal Identifying Information Privacy Protection, S.C. Code Ann. §§ 30-2-310 *et seq.*
(e) Data Breach Notification, Proviso 117.110 of the 2015-2016 Appropriations Act. H.R. 3701 § 117.110. 121st Cong. (S.C. 2015) (Act 91), as revised in any future annual appropriations act.

7.45 LICENSES AND PERMITS (JAN 2006): During the term of the Contract, the Contractor shall be responsible for obtaining, and maintaining in good standing, all licenses (including professional licenses, if any), permits, inspections and related fees for each or any such licenses, permits and /or inspections required by the State, county, city or other government entity or unit to accomplish the work specified in this solicitation and the contract.

7.46 OFFSHORE CONTRACTING PROHIBITED (FEB 2015): No part of the resulting contract from this solicitation may be performed offshore of the United States by persons located offshore of the United State or by means, methods, or communications that, in whole or in part, take place offshore of the United States. [07-7B122-1]

7.47 PRICE ADJUSTMENTS (JAN 2006): (1) Method of Adjustment. Any adjustment in the Contract price made pursuant to a clause in this contract shall be consistent with this Contract and shall be arrived at through whichever one of the following ways is the most valid approximation of the actual cost to the Contractor (including profit, if otherwise allowed):
(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
(b) by unit prices specified in the Contract or subsequently agreed upon;
(c) by the costs attributable to the event or situation covered by the relevant clause, including profit if otherwise allowed, all as specified in the Contract; or subsequently agreed upon;
(d) in such other manner as the parties may mutually agree; or,
(e) in the absence of agreement by the parties, through a unilateral initial written determination by the Procurement Officer of the costs attributable to the event or situation covered by the clause, including profit if otherwise allowed, all as computed by the Procurement Officer in accordance with generally accepted accounting principles, subject to the provisions of Title 11, Chapter 35, Article 17 of the S.C. Code of Laws.
(3) Submission of Price or Cost Data. Upon request of the Procurement Officer, the contractor shall provide reasonably available factual information to substantiate that the price or cost offered, for any price adjustments is reasonable, consistent with the provisions of Section 11-35-1830.

7.48 PRICE ADJUSTMENT - LIMITED: Premiums shall not be increased during the initial term of the Contract (1/1/2028 through 12/31/2030). Upon approval of the Procurement Officer, premiums may be adjusted for renewal term one (1/1/2031 through 12/31/2031) and renewal term two (1/1/2032 through 12/31/2032) of the

term of the contract. Any request for a price increase must be received by the Procurement Officer by January 15, 2030, for renewal term one and by January 15, 2031, for renewal term two and must be accompanied by sufficient documentation to justify the increase. A price increase must be executed as a change order.

7.49 PRICE ADJUSTMENTS–LIMITED BY CPI "OTHER GOODS & SERVICES" (JAN 2006): Upon request and adequate justification, the Procurement Officer may grant a price increase up to, but not to exceed, the unadjusted percent change for the most recent 12 months for which data is available, that is not subject to revision, in the Consumer Price Index (CPI) for all urban consumers (CPI-U), "Other Goods & Services" for services, as determined by the Procurement Officer. The Bureau of Labor and Statistics publishes this information on the web at www.bls.gov

7.50 PRICING DATA -- AUDIT -- INSPECTION (JAN 2006)
(a) Cost or Pricing Data. Upon Procurement Officer's request, you shall submit cost or pricing data, as defined by 48 C.F.R. Section 2.101 (2004), prior to either (1) any award to contractor pursuant to 11-35-1530 or 11-35-1560, if the total contract price exceeds $500,000, or (2) execution of a change order or contract modification with Contractor which exceeds $100,000. Your price, including profit or fee, shall be adjusted to exclude any significant sums by which the State finds that such price was increased because you furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties. (b) Records Retention. You shall maintain your records for three years from the date of final payment, or longer if requested by the Chief Procurement Officer. The State may audit your records at reasonable times and places. As used in this subparagraph (b), the term "records" means any books or records that relate to cost or pricing data submitted pursuant to this clause. In addition to the obligation stated in this subparagraph (b), you shall retain all records and allow any audits provided for by 11-35-2220(2). (c) Inspection. At reasonable times, the State may inspect any part of your place of business which is related to performance of the work. (d) Instructions Certification. When you submit data pursuant to subparagraph (a), you shall (1) do so in accordance with the instructions appearing in Table 15-2 of 48 C.F.R. Section 15.408 (2004) (adapted as necessary for the state context), and (2) submit a Certificate of Current Cost or Pricing Data, as prescribed by 48 CFR Section 15.406-2(a) (adapted as necessary for the State context). (e) Subcontracts. You shall include the above text of this clause in all of your subcontracts. (f) Nothing in this clause limits any other rights of the state.

7.51 RELATIONSHIP OF THE PARTIES (JAN 2006): Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party.

7.52 RESTRICTIONS ON PRESENTING TERMS OF USE OR OFFERING ADDITIONAL SERVICES:
(a) Citizens, as well as public employees (acting in their individual capacity), should not be unnecessarily required to agree to or provide consent to policies or contractual terms in order to access services acquired by the government pursuant to this contract (hereinafter "applicable services") or, in the case of public employees, to perform their job duties; accordingly, in performing the work, contractor shall not require or invite any citizen or public employee to agree to or provide consent to any end user contract, privacy policy, or other terms of use (hereinafter "terms of use") not previously approved in writing by the procurement officer. Contractor agrees that any terms of use regarding applicable services are void and of no effect.
(b) Unless expressly provided in the solicitation, public contracts are not intended to provide contractors an opportunity to market additional products and services; accordingly, in performing the work, contractor shall not – for itself or on behalf of any third party – offer citizens or public employees (other than the procurement officer) any additional products or services not required by the contract.
(c) Any reference to contractor in items (a) or (b) also includes any subcontractor at any tier. Contractor is responsible for compliance with these obligations by any person or entity that contractor authorizes to take any action related to the work.
(d) Any violation of this clause is a material breach of contract. The parties acknowledge the difficulties

inherent in determining the damage from any breach of these restrictions. Contractor shall pay PEBA liquidated damages of $1,000 for each contact with a citizen or end user that violates this restriction.

7.53 SECURITY FOR PERFORMANCE, DAMAGES: The Contractor shall supply security no later than March 1, 2028. The Contractor shall supply security in the form of an unconditional irrevocable standby letter of credit, on deposit in or issued by, respectively, a federal or state chartered bank with offices physically located in the State of South Carolina in the amount of five hundred thousand dollars US ($500,000.00) whereby funds are (1) pledged to the benefit of the State; (2) are not under the control of the Contractor; and (3) are payable to PEBA upon written demand to the holder.

This security is for the faithful performance of this contract between the State and Contractor and will further protect, indemnify and save harmless the State from all costs and damages by reason of the Contractor's default, breach or failure to satisfactorily perform the obligations outlined in this IFB, the Contractor's response thereto, and any amendments, modifications or change orders. The security required under this section must extend through the initial Contract term, any renewal terms, and the period of transition described in section 7.34, Duties Upon Termination.

Not sooner than twelve (12) months following the commencement of performance, the Contractor may seek a reduction in the amount of the security and consideration for such a request will depend on Contractor's performance up to the time of the request and the time remaining under the contract. Further, any revenue or other yield generated by the security shall be owned by the Contractor and may be withdrawn periodically so long as then applicable minimum-security amount is maintained.

In the event of any condition of breach or other circumstance attributable to the Contractor, PEBA shall have the right to draw against the security such sums as are necessary to make the State whole, including, but not limited to, the costs incurred to secure and compensate for substituted services of another entity made necessary by the breach. Nothing herein shall be construed to mean that the security provided for herein is exclusive or constitutes any limitation or restriction on any remedies to which the State may be entitled.

7.54 SERVICE PROVIDER SECURITY ASSESSMENT QUESTIONNAIRE – REQUIRED:
The Contractor must demonstrate that programs, policies, and procedures are in place to adequately provide for the confidentiality, integrity, and availability of the information systems used by Contractor to process, store, transmit, and access all government information. In order for PEBA to accurately evaluate the strength and viability of the Contractor's security policies, procedures and practices related to confidentiality, integrity and availability, Offerors must submit with their offers a thorough and complete written response to the Service Provider Security Assessment Questionnaire ("Response to SPSAQ") attached to this Solicitation (Attachment 3), which must address all applicable organizations and applicable information systems. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions.

7.55 SERVICE PROVIDER SECURITY REPRESENTATION (FEB 2015): The following obligations are subordinate to any other contract clause to the extent the other clause specifically provides for enhanced safeguarding of government information, applicable information systems, or applicable organizations. Offeror (i) warrants that the work will be performed, and any applicable information system (as defined in the clause titled "Information Security - Definitions") will be established and maintained in substantial conformity with the information provided in Offeror's Response to SPSAQ; (ii) agrees to provide PEBA with prompt notice of any material variation in operations from that reflected in the Response to SPSAQ; and (iii) agrees to comply with all other obligations involving either information security or information use and disclosure imposed by the contract, notwithstanding any inconsistent statement in Offeror's Response to SPSAQ. To the extent Offeror's Response to SPSAQ does not conform to any other contractual requirements, PEBA's lack of objection does not constitute a waiver.

7.56 TERM OF CONTRACT - EFFECTIVE DATE:

Maximum Contract Term: January 1, 2028, through December 31, 2032
Initial Contract Term: January 1, 2028, through December 31, 2030

These dates are estimates only. The effective date of this Contract is the first day of the Contract Term as specified on the final statement of award. Regardless, this Contract expires no later than the last date stated on the final statement of award.

7.57 TERMINATION FOR CONVENIENCE: (1) Termination. The Procurement Officer may terminate this Contract in whole or in part, for the convenience of the State. The Procurement Officer shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective.

(2) Contractor's Obligations. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Procurement Officer may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to PEBA. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Supplies. The Procurement Officer may require the Contractor to transfer title and deliver to PEBA in the manner and to the extent directed by the Procurement Officer: (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the Contractor has specifically produced or specially acquired for the performance of the terminated part of this contract. The Contractor shall, upon direction of the Procurement Officer, protect and preserve property in the possession of the Contractor in which PEBA has an interest. If the Procurement Officer does not exercise this right, the Contractor shall use best efforts to sell such supplies and manufacturing materials in accordance with the standards of Uniform Commercial Code Section 2-706. Utilization of this Section in no way implies that PEBA has breached the Contract by exercise of the Termination for Convenience Clause.

(4) Compensation. (a) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-1830 bearing on such claim. If the Contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the Contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the Contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by PEBA, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the Contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Paragraph (2) of this clause. These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination. The total sum to be paid the Contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(5) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not

(i) affect PEBA's right to require the termination of a subcontract, or (ii) increase the obligation of PEBA beyond what it would have been if the subcontract had contained an appropriate clause.

PART 8

ATTACHMENTS TO SOLICITATION

Attachment 1: Important Tax Notice – Nonresidents Only
Attachment 2: Offeror's Checklist
Attachment 3: Service Provider Security Assessment Questionnaire
Attachment 4: Non-Disclosure Agreement
Attachment 5: Bidding Schedule
Attachment 6: Certificate
Attachment 7: Insurance Benefits Guide
Attachment 8: 2023-2027 Premiums
Attachment 9: Active Subscriber Count
Attachment 10: Optional Life Enrollment
Attachment 11: Number of Lives
Attachment 12: Claims Performance, Paid Claims, Annual Paid Premiums Vol Active, Avg. Annual Vol Retiree **(Requires a signed NDA)**

Attachment 1
IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed $10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

The withholding requirement applies to every governmental entity that uses a contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

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Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of $1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

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For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at www.sctax.org.

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This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-898-5383.

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NONRESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHHOLDING

I-312
(Rev. 6/26/01)
3323

The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:

1. Name of Nonresident Taxpayer: _____

2. Trade Name, if applicable (Doing Business As):

   _____

3. Mailing Address: _____

4. Federal Identification Number: _____

5. _____ Hiring or Contracting with:
   Name: _____

   Address: _____

   _____ Receiving Rentals or Royalties From:
   Name: _____

   Address: _____

   _____ Beneficiary of Trusts and Estates:
   Name: _____

   Address: _____

6. I hereby certify that the above named nonresident taxpayer is currently registered with (check the appropriate box):
   ☐ The South Carolina Secretary of State or
   ☐ The South Carolina Department of Revenue
   Date of Registration: _____

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Sections 12-8-540 (rentals), 12-8-550 (temporarily doing business or professional services in South Carolina), and 12-8-570 (distributions to nonresident beneficiary by trusts or estates) at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-44 (B) (6) (a) (i), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

_____ (Seal) _____
Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant) Date

If Corporate officer state title: _____

_____
(Name - Please Print)

Attachment 2
OFFEROR'S CHECKLIST

Review this checklist prior to submitting your bid. If you fail to follow this checklist, you risk having your bid rejected.

This checklist is included as a reminder only to help offerors avoid common mistakes. Responsiveness will be evaluated against the solicitation, not against this checklist. You do not need to return this checklist with your response.

- ☐ Do not include any of your standard contract forms.
- ☐ Unless expressly required, do not include any additional boilerplate contract clauses.
- ☐ Reread your entire bid to make sure your proposal does not take exception to any of PEBA's mandatory requirements.
- ☐ Make sure you have properly marked all protected, confidential or trade secret information in accordance with the instructions entitled: Submitting Confidential Information. Do not mark your entire proposal as confidential, trade secret or protected. Do not include a legend on the cover stating that your entire response is not to be released.
- ☐ Have you properly acknowledged all amendments? Instructions regarding how to acknowledge an amendment should appear in all amendments issued.
- ☐ Make sure your bid includes a copy of the solicitation cover page. Make sure the cover page is signed by a person who is authorized to contractually bind your business.
- ☐ Make sure your bid includes the number of copies requested.
- ☐ Check to ensure your bid includes everything requested.
- ☐ If you have concerns about the solicitation, do not raise those concerns in your response. After opening, it is too late as this solicitation includes a question-and-answer period. Raise your questions as a part of that process.

PEBA
SC Retirement Systems and State Health Plan

South Carolina Public Employee Benefit Authority
Serving those who serve South Carolina

Service Provider Security Assessment Questionnaire

Instructions
Attach additional pages or documents as appropriate and make sure answers cross reference to the questions below. As used in this questionnaire, the phrase "government information" shall have the meaning defined in the clause titled Information Security. This questionnaire must be read in conjunction with both of the following two clauses:

- Service Provider Security Assessment Questionnaire – Required; and
- Service Provider Security Representation.

Highlight any updates or changes to answers that have occurred in the last year unless otherwise specified.

Access control

1.	Is access to government information limited only to those employees and contractors who require access to perform work on behalf of PEBA? If yes, provide the policies and procedures that demonstrate this. If no, provide more detail.	☐ Yes ☐ No
2.	What security controls do you have in place for incoming email? Choose all that apply. ☐ Detonation and evaluation of attachments in a sandbox ☐ Screening for malicious attachments ☐ Domain Based Message Authentication, Reporting and Conformance ☐ Screening for malicious links ☐ DomainKeys Identified Mail ☐ Sender Policy Framework strictly enforced ☐ Quarantine service ☐ Tagging external emails	
3.	Do you enforce multi-factor authentication for all user accounts (other than domain administrator accounts) when accessing your network remotely?	☐ Yes ☐ No
4.	Do you enforce MFA for all domain administrator accounts?	☐ Yes ☐ No
5.	Do you permit ordinary users' local administrator rights to their devices?	☐ Yes ☐ No
6.	What security solutions do you use to prevent or detect malicious activity on your network? **Security solution** **Vendor** Endpoint Protection Platform _____ Endpoint Detection and Response _____ Managed Detection and Response _____ Network Detection and Response _____ Security Information and Event Management _____ Application Isolation and Containment _____	
7.	Do you have a Security Operations Center? If yes, is your SOC internal or managed by a third party? ☐ Internal ☐ Third party ☐ Both If yes, is your SOC staffed 24 hours? ☐ Yes ☐ No	☐ Yes ☐ No
8.	Do you use a protective DNS service (e.g., Cisco Umbrella)?	☐ Yes ☐ No
9.	Are host-based and network firewalls configured to disallow inbound connections by default?	☐ Yes ☐ No
10.	Are network firewalls configured to disallow outbound connections by default?	☐ Yes ☐ No

11.	Do you use a hardened baseline configuration across all (or substantially all) of your devices?	☐ Yes ☐ No
12.	Do you screen your employees and contractors who will have access to government information? If yes, provide details.	☐ Yes ☐ No
13.	Do you have a key escrow solution? If yes, provide details.	☐ Yes ☐ No

Data protection and disposal

14.	Do you have documented policies and procedures for managing information assets? If yes, provide those policies and procedures.	☐ Yes ☐ No
15.	Will government information be stored on: a) Portable media? ☐ Yes ☐ No i. Is it encrypted? ☐ Yes ☐ No b) Laptops? ☐ Yes ☐ No i. Is it encrypted? ☐ Yes ☐ No c) Backup media? ☐ Yes ☐ No i. Is it encrypted? ☐ Yes ☐ No d) Mobile devices? ☐ Yes ☐ No i. Is it encrypted? ☐ Yes ☐ No e) Databases? ☐ Yes ☐ No i. Is it encrypted? ☐ Yes ☐ No f) Cloud or third-party sites (e.g., Dropbox)? ☐ Yes ☐ No i. If yes, provide locations. ii. Are they all encrypted? ☐ Yes ☐ No	
16.	Will government information be encrypted when transmitted?	☐ Yes ☐ No
17.	Will government information be encrypted during data backups and on backup media?	☐ Yes ☐ No
18.	Will government information be deleted or destroyed in accordance with NIST Special Publication 800-88 at the termination of the contract? Provide additional details.	☐ Yes ☐ No

Data protection and recovery

19.	Does your *Business Continuity Plan* contain recovery time objectives for the amount of time within which business processes and continuity must be restored? If yes, what are the current stated and tested recovery time objectives?	☐ Yes ☐ No
20.	What is the process for backing up data? Check all that apply. ☐ Full back-up ☐ Incremental ☐ Differential ☐ Mirror ☐ Other: _____ How often is data backed up?	
21.	Where are data backups stored? Check all that apply. ☐ Secure offsite ☐ Secondary data center ☐ Other: _____	
22.	If necessary, how quickly can backed up data be accessed and restored?	
23.	When was the last time you successfully tested your *Business Continuity Plan*? When tested, did you meet all objectives?	
24.	When was the last time you successfully tested your *Disaster Recovery Plan*? When tested, did you meet all stated restore time objectives?	
25.	Do you have an *Incident Response Plan* that addresses cybersecurity events? If yes, when was the last time it was tested? If yes, does it address ransomware events?	☐ Yes ☐ No ☐ Yes ☐ No

26. Do you have immutable backups to protect against ransomware? If no, describe how PEBA's data and operations would be protected against ransomware events.	☐ Yes ☐ No

Third party management

27. Identify any third party that will host or have access to government information. Provide a description of the services that are or will be provided related to the contract with PEBA.	
28. Describe and explain your security policies and procedures as they relate to your use of contractors and next-tier sub-contractors.	

Human resources

29. Do you conduct employee security and awareness training at least annually? If yes, provide the last three annual dates of completion, who is included and the outline for the training.	☐ Yes ☐ No

Audit and compliance

30. Which current reports or certifications do you have that demonstrate that adequate security controls and assurance requirements are in place to protect PEBA's data? If you answer yes to any of the following, provide a copy. a. SOC 1 b. SOC 2 If yes, Type I / Type II c. SOC 3 d. ISO/IEC27001 certificate e. HITRUST f. Other: _____	 ☐ Yes ☐ No ☐ Yes ☐ No ☐ I ☐ II ☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No
31. Are you required to be PCI compliant in relation to the business you do with PEBA? a. If yes, are you compliant with PCI standards? b. If yes, is payment card data encrypted at the point of sale through transmission to the payment processor? c. If you are not compliant with PCI standards, describe the status of any compliance work and the estimated date of completion.	☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

HIPAA compliance

32. Are you or would you be required to be HIPAA compliant in relation to the business you do with PEBA? If yes, continue to complete this section.	☐ Yes ☐ No
33. When was the last HIPAA risk assessment completed?	
34. Does your company have a comprehensive HIPAA policy? If yes, what was the last date it was updated?	☐ Yes ☐ No
35. Do you conduct employee HIPAA training at least annually? If yes, provide the last three annual dates of completion, who is included and the outline for the training.	☐ Yes ☐ No
36. Describe the training.	
37. Have executive officers been trained on HIPAA?	☐ Yes ☐ No
38. Do you have a dedicated HIPAA Compliance Officer and/or department? If yes, describe the department and provide the contact information for that person or department.	☐ Yes ☐ No
39. Do you have a dedicated Chief Privacy Officer? If yes, describe who they report to and provide basic information about their job responsibilities and roles.	☐ Yes ☐ No
40. To the best of your knowledge, is your company/entity HIPAA compliant?	☐ Yes ☐ No

	If no, explain why your company/entity is not HIPAA compliant.	

Artificial intelligence

41.	Is AI developed in-house or supplied by a third party? Provide details.	☐ In-house ☐ Third party ☐ N/A
42.	Do you perform independent audits of AI model outputs?	☐ Yes ☐ No
43.	Is customer data used to train or fine-tune models?	☐ Yes ☐ No
44.	Will AI be used to handle or store sensitive data?	☐ Yes ☐ No
45.	Will personally identifiable information be anonymized?	☐ Yes ☐ No
46.	Will the system continue to function if the AI service is not available?	☐ Yes ☐ No

Physical security

47.	List the geographical locations of your data centers that could contain PEBA's data.	
48.	Do your secondary/failover sites have commensurate security with your primary site?	☐ Yes ☐ No
49.	Is your data center hosted by a third party? If yes, provide details.	☐ Yes ☐ No
50.	Describe the policies, procedures and practices you have in place to provide for the physical security of your data centers and other sites where government information will be hosted, accessed or maintained.	

Detection and prevention

51.	What controls are in place to detect security breaches?	
52.	What system and network activity do you log?	
53.	How long do you maintain these audit logs?	
54.	Describe who monitors the logs (e.g., internal SOC, third-party SOC, etc.) and how they are monitored.	
55.	Do you have network intrusion detection systems that provide actionable alerts if an unauthorized computer system intrusion occurs? If yes, provide details.	☐ Yes ☐ No
56.	How often do you perform internal vulnerability scanning? ☐ Continuous ☐ Monthly ☐ Quarterly	
57.	How often do you perform external vulnerability scanning against internet-facing IP addresses? ☐ Continuous ☐ Monthly ☐ Quarterly	
58.	Is penetration testing performed by an external vendor? If yes, how often is it performed? ☐ Continuous ☐ Monthly ☐ Quarterly	☐ Yes ☐ No
59.	Is there any other penetration testing performed? If yes, who performs it? If yes, how often is it performed? ☐ Continuous ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Other: _____	☐ Yes ☐ No
60.	Provide the last three dates of testing and indicate if it was conducted by an external vendor or internally.	
61.	Is there a process for the timely installation of software updates/patches? If yes, are critical updates/patches installed within 30 days of release?	☐ Yes ☐ No

	☐ Yes ☐ No

Incident response

62. Describe your incident response policies and practices.	
63. Have you had any non-HIPAA breaches in the last three years? If yes, provide details.	☐ Yes ☐ No
64. Have you or your third-party vendors had any breaches in the last three years, as defined by HIPAA, that involved more than 500 records? If yes, provide details.	☐ Yes ☐ No
65. Have you or your third-party vendors paid any HIPAA related fines in the last three years? If yes, provide details.	☐ Yes ☐ No

Security requirements and general information

66. Are there any planned system upgrades, conversions or other system changes that might affect PEBA in the next year? If yes, provide details.	☐ Yes ☐ No
67. Have there been or are there any planned changes in leadership or key staff that might affect your relationship with PEBA? If yes, provide details.	☐ Yes ☐ No
68. Are there any other material items/changes you believe PEBA should be made aware? If yes, provide details.	☐ Yes ☐ No

The Offeror's response to this questionnaire includes any other information submitted with its Offer regarding information or data security.

SIGNATURE OF PERSON AUTHORIZED TO REPRESENT THE ACCURACY OF THIS INFORMATION ON BEHALF OF CONTRACTOR:

By: _____

(Authorized signature)

_____

(Printed name)

Its: _____

(Title)

Date: _____

Attachment 4
Non-Disclosure Agreement

This Non-Disclosure Agreement (the "Agreement") is made this____day of_____201_, by and between _____(hereinafter referred to as "the Offeror ") and the State of South Carolina, South Carolina Public Employee Benefit Authority (hereinafter referred to as "the State"). Offeror as herein used includes both any entity that submits a proposal and any entity that is considering submitting a proposal but ultimately does not.

Offeror warrants and represents that it intends to submit a Services/Technical Proposal in response to the Invitation for Bids for Group Life, Optional Life, and A&D Insurance for State Employees. In order for the Offeror to submit a Proposal, it will be necessary for the State to provide the Offeror with access to certain confidential information including, but not limited to, demographic and identifying information on eligible individuals and plan utilization data. All such information provided by the State shall be considered Confidential Information regardless of the form, format, or media upon which or in which such information is contained or provided, regardless of whether it is oral, written, electronic, or any other form, and regardless of whether the information is marked as "Confidential Information." As a condition for its receipt and access to the Confidential Information described in Part II, Scope of Proposal, Introduction, Offeror agrees as follows:

1. Offeror will not copy, disclose, publish, release, transfer, disseminate or use for any purpose in any form any Confidential Information received except in connection with the preparation of its Proposal. All Confidential Information and copies thereof shall be protected from disclosure by commercially reasonably means, including without limitation physical separation, security and limited need to know access for any hard copy materials and encryption, password protection, and secure transmission for electronic materials respectively.

2. Each employee or agent (including without limitation subcontractors) of the Offeror who receives or has access to the Confidential Information shall be notified of the confidentiality and nondisclosure requirements of this Agreement and the confidential nature of the Confidential Information. Each employee or agent of the Offeror who is provided access to or a copy of the Confidential Information shall be bound by confidentiality and nondisclosure obligations that are no less restrictive than the obligations set forth herein. The Offeror shall be liable for any violations by any employees or agents who are provided or given access to Confidential Information. The Offeror shall provide a list of all individuals, employees, and agents of the Offeror who have or have had access to the Confidential Information, along with the certification required in Section 3 of this Agreement.

3. Offeror, other than the Contractor, shall return to the State the original and destroy (in a manner designed to prohibit reading of, copying or reconstruction of the data) any copies of the Confidential Information remaining in its possession within five (5) business days of the State's notice of award in connection with this procurement. If any Offeror does not submit a Proposal, the Offeror shall return the Confidential Information to the Procurement Officer on or before the due date for Proposals. The Offeror, other than the Contractor, shall certify, in writing and signed by an individual with authority to bind the Offeror, to the Procurement Officer that any and all Confidential Information (in whatever format or media) has been destroyed or returned to the Procurement Officer within five (5) business days of the notice of award or by the date the Offeror will not or did not submit a proposal, whichever is earlier. Such certification may be in the form provided below or in another form.

4. Offeror acknowledges that the disclosure of the Confidential Information may cause irreparable harm to the State and agrees that the State may obtain an injunction to prevent the disclosure, copying, or other impermissible use of the Confidential Information. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and/or to seek damages for the Offeror's failure

to comply with the requirements of this Agreement. The Offeror consents to personal jurisdiction in the South Carolina State Courts.

5. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Offeror or any employee or agent of the Offeror to comply with the requirements of this Agreement, Offeror shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and/or costs.

6. This Agreement shall be governed by the laws of the State of South Carolina.

7. Offeror acknowledges that a person may not willfully make a false or fraudulent statement or representation of a material fact in connection with a procurement contract. Offeror further acknowledges that this Agreement is a statement made in connection with a procurement contract.

8. The individual signing below warrants and represents that he or she is fully authorized to bind the Offeror to the terms and conditions specified in this Agreement.

OFFEROR: _____

BY: _____
Signature

NAME: _____
Print Name

TITLE: _____

ADDRESS: _____

OFFEROR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN ACCESS TO THE CONFIDENTIAL INFORMATION

Printed Name and Address of Individual/Agent	Employee (E) or Agent (A)

I certify, on behalf of_____("Offeror") that the original and any and all copies of the Confidential Information provided by the State in connection with the Invitation for Bids for Group Life, Optional Life, and A&D Insurance for State Employees have been returned to the Procurement Officer or destroyed in a manner designed to prevent copying, reconstruction of or reading of the data. Below is a list of the individuals, employees and/or agents to whom copies of or access to the Confidential Information have been provided.

I warrant and represent that I am fully authorized to bind the Offeror to the terms and conditions specified in this Agreement.

OFFEROR: _____

BY: _____
Signature

NAME: _____
Print Name

TITLE: _____

ADDRESS: _____

Date: _____

WITNESS: _____

OFFEROR'S EMPLOYEES AND AGENTS WHO WERE GIVEN ACCESS TO THE CONFIDENTIAL INFORMATION

Printed Name and Address of Individual/Agent	Employee (E) or Agent (A)

Attachment 5
Bidding Schedule (NOV 2007)

Price/cost proposal to be submitted in accordance with the IFB instructions. Offeror must complete the table below. Do not modify this bidding schedule.

A. Basic Life (per $3,000 policy)

Quoted premium				Weight		Total
_____	÷ 3	=	_____	× 0.0289	=	_____(A)

B. Optional and Dependent Life-Spouse (per $1,000/face value) by age range

	Quoted premium		Weight		Total
Under 35	_____	×	0.1728	=	_____
35-39	_____	×	0.1161	=	_____
40-44	_____	×	0.1460	=	_____
45-50	_____	×	0.1637	=	_____
50-54	_____	×	0.1649	=	_____
55-59	_____	×	0.1319	=	_____
60-64	_____	×	0.0728	=	_____
65-69	_____	×	0.0233	=	_____
70-74	_____	×	0.0065	=	_____
75-79	_____	×	0.0016	=	_____
80 and older	_____	×	0.0004	=	_____
					_____(B)

C. Dependent Life-Child (per $15,000 policy)

Quoted premium				Weight		Total
_____	÷ 15	=	_____	× 0.0445	=	_____(C)

Total composite rate: _____
(A) + (B) + (C)

Notes:

- All premiums must be divisible by 2 for payroll center applications.
- Premiums for Dependent Life-Spouse coverage are the same as the Optional Life premiums and are based on the spouse's age.
- The premium for Dependent Life-Child is one amount for $15,000 coverage, regardless of the number of children covered.
- Award will be given to the lowest responsible and responsive bidder based on the lowest composite rate. Award will be made to one Bidder.

Attachment 6
Certificates

Life insurance certificates are available at the links below.

https://peba.sc.gov/sites/default/files/life_certificate_active.pdf
https://peba.sc.gov/sites/default/files/life_certificate_retiree.pdf

Attachment 7
Insurance Benefits Guide

Information about the life insurance program is available in the member-facing *Insurance Benefits Guide* at www.peba.sc.gov/sites/default/files/2027_ibg.pdf.

Attachments 8-12 are posted online or require a signed Non-disclosure Agreement.