



Consolato Generale d'Italia
Houston

CONTRACT

DIGITALIZATION SERVICES OF THE CONSULAR ARCHIVES OF THE ITALIAN CONSULATE IN HOUSTON, TX

between

the **Consulate General of Italy** located at 1330 Post Oak Blvd. Ste 1950, Houston, TX 77056, hereinafter referred to as Owner

and

ARC Document Solutions, LLC registered in the State of Texas under file number 800917926, hereinafter referred to as Contractor

Whereas

- A public bid notice was published on November 17, 2023 announcing the Owner's intention to award digitalization services of the consular archives of the Consulate General of Italy in Houston.
- Upon the completion of the public bid, the contract has been awarded to ARC Document Solutions, LLC
- The financial offer presented by Contractor is outlined as follows:
 - o Total amount of the offer \$ 118,220.00 (one hundred eighteen thousand two hundred twenty dollars) of which:
 - Digitalization services \$ 108,320.00 (one hundred eight thousand three hundred twenty dollars)
 - Equipment (Scanners, softwares, hard drives) \$ 9,900 (nine thousand nine hundred dollars)

NOW, THEREFORE, for and in consideration of the foregoing, and the mutual promises and covenants hereinafter made, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follow:

Article 1 (Contract):



- 1.1) The Owner and the Contractor agree to be legally and formally bound - particularly with respect to the Italian laws and US codes and regulations - to perform and provide the services and supplies outlined in this Contract at the prices, terms and conditions stated and agreed to in this Contract.
- 1.2) Integral parts of this contract are the following documents:
 - a) The technical specifications attached to the Invitation letter to participate to the bid dated November 17th, 2023 # 4077, (attachment A)
 - b) The technical proposal presented by Contractor - together with the entire documentation requested to participate to the bid - on January 2nd, 2024 (envelope B)whose most significant parts are, when specifically required, recalled and highlighted in this contract.

Article 2 (Scope of work)

- 2.1) The scope of work of this Contract is to provide digitalization services of the consular archives of the Consulate General of Italy and the training of the consular personnel to elaborate digitalized documents when a new file is opened located at 1330 Post Oak Blvd. Ste. 1950, Houston, as set forth in this contract.
- 2.2) Essential requirements of the digitization service are those mentioned in Point 3 of the technical specifications (as above 1.2.a)

Article 3 (Duration and dates):

- 3.1. The services described in this Contract will effectively take place in 24 weeks with a buffer of additional 4 weeks for rescanning/ QC activities.
- 3.2 The starting date of the activities is the date of the acceptance - on the side of the Owner - of the Operational Activity Plan (OPA) that the Contractor will present within 15 consecutive days from the signing of this contract.
The OPA will specify as well the closing date of the activities (Point 4, phase A of the technical specifications (as above 1.2.a).
Any form of tacit renewal is excluded.
Owner and Contractor do agree that if the activities will include a defined period of official festivities, the closing date of activities will consequently be postponed for the same defined period.

Article 4 (Personnel):

- 4.1) Contractor's personnel, mentioned in Point 1.3 of the technical proposal (as above 1.2.b) is listed as following:
 - a) Production manager: *Isaac Osuna*
 - b) Scanning officer 1: *Alexis Jamerson*
 - c) Scanning Officer 2: *Maria Moya*
 - d) Quality control Officer: *Same as 4.1.c and 4.1.b*
 - e) Backup Staff (*TBD*)
- 4.2) Contractor appoints as well:
 - a) a project Sponsor. *Mr. Chris Alch. Abdul Shabankareh* who will be on site 1 hour



per week

b) a project Manager, *Mr. Chris Alch*, will be on site 5 hours per week and he will be the contact person between the company and the Embassy.

- 4.3.) Owner reserves the right to carry out clearance checks on the personnel appointed by Contractor
- 4.4.) Contractor will advise the Owner of any change of staff. The Owner reserves the right to approve these new personnel.
- 4.5.) The personnel mentioned under 4.1. will be available on site from 9:00 am to 5:00 pm from Monday to Friday. The possibility to anticipate the time of arrival to 8 am will be given on a day-by-day schedule.

Contractor will also provide one mobile phone number available for emergency services outside the normal hours of work, all Saturdays and Sundays included.

The personnel mentioned under 4.2. will be available on site having informed the Owner of their presence.

Apart from the above, the Contractor may utilize third party personnel to provide technical services on need basis on the installation of the systems and implementation of the services to be rendered pursuant to this contract.

- 4.6.) Only those persons expressly authorized by the Owner will have access to the areas specifically designated for the performance of the service.
- 4.7.) Personnel will be instructed that any necessary operation, whether ordinary and/or extraordinary, must be carried out with extreme care for the safety of Owner and related staff, guests and visitors.

With respect to the rules established by the Owner to preserve the security and the safety of the property and its employees, Contractor will provide in due time information regarding operations.

However, services to be rendered under this Contract must be organized by Contractor without interfering with the institutional activity of the Owner.

- 4.8.) All employees and persons above listed providing any services under this agreement must comply with all security regulations of the Owner.

No entrance to other people will be allowed without prior approval by Owner.

- 4.9.) In performing the services under this Contract, Contractor must respect the instructions and directions provided by the Owner for security and surveillance issues.



- 4.10) Contractor, in performing the services under this Contract, is responsible for any liability or injury to its own employees.
- 4.11) Contractor is responsible for its own tools and materials in case of theft, damage or other losses, except through the proof of negligence by Owner.
- 4.12) This Contract will not constitute any agreement between Contractor and Contractor's employees to be bound as part-time or full-time employees of the Owner or the Italian Government.
- 4.13) Contractor must guarantee that the contractor staff involved in the performance of the activities covered by the contract receives all the protection granted by the regulations on health and safety at work, with particular reference to health surveillance activities, preventive checks and periodic health checks;

Contractor is required, at no cost for the Owner, to comply with all requirements, including future ones, concerning the prevention, security and emergency measures to be adopted in the context of activities related to the contract.

- 4.14) The personnel assigned to the contractual activities as specified in section 4.1 and 4.2 must be duly employed by the Contractor, or be in a position of employment governed by an employment contract with the Contractor or by a form of employment contract, provided for by the applicable legislation in force.

Contractor is also required to apply to the employees assigned to the services covered by this Contract, conditions of employment and remuneration not inferior to those resulting from the state and federal laws.

Contractor undertakes to produce, at the request of the Owner the documents proving that it has complied with these obligations.

Contractor shall be solely responsible for the acts of any third party personnel hired or contracted for the activities related to this contract.

- 4.15) Contractor's employees or personnel listed above will, at all times, conduct themselves in a courteous and business-like manner to preserve the prestige and the image of the Owner. In the case of violation of this conduct by its employees.
- 4.16) Contractor agrees to take appropriate action in order to protect the interests of the Owner. Action must be taken also if requested directly by the Owner. In the case of the deliberate failure to take appropriate action the foregoing circumstance may lead to the unilateral termination of this contract.
- 4.17) Contractor agrees to respect, and to ensure its employees doing the same, the confidential nature of information data and documents in its possession and not disclose confidential information without Owner's approval. Obligation not to disclose confidential information will remain in effect even beyond the termination of this Contract.



4.18) Owners personnel will be Head of Consular Services, Head of Personnel and IT Manager. They will be the designated Point of Contact for their respective departments.

- Consul General Mauro Lorenzini
- Vice Consul Maria Chiara Montanaro
- Vice Consul Manuel D'Elia

Article 5 (Insurance):

5.1) Contractor will provide to the Owner, prior to the commencement of the contract, a certificate of insurance with liability coverage as set forth in the following article 9.2).

Article 6 (Contract modifications):

6.1) This Contract can only be modified in writing and agreed to by both parties.

Article 7 (Contract amounts and payments):

7.1) Owner agrees to pay and Contractor agrees to accept - for the services rendered - the compensation as determined in the present Agreement:

Equipment (Scanners, softwares, hard drives) \$ 9,900 (nine thousand nine hundred dollars) on the day of completion of all the digitalizing operations;

Digitalization services \$ 108,320.00 (one hundred eight thousand three hundred twenty dollars) as follows:

- As indicated in the technical proposal – additional notes – the Contractor will invoice on a monthly basis for actual quantity of folders digitized and delivered to the Owner within that month.
- Whenever the monthly batch of folders has been completely digitized and approved with the declaration of conformity issued by the Officer responsible of the service of the Owner, the invoice will be paid.
- 1 final installment with the balance at the completion of the entire service.

All of the payments will be made by Owner upon receipt of invoice from Contractor.

7.2) Payment of the invoices by Owner will be accomplished through a bank check or a wire transfer.

7.3) The agreed amounts are to be considered fixed and invariable. Each party can make acknowledges familiarity with the areas of the Owner where the service will be carried out.

Contractor acknowledges that no documentation can - in any way and for any reason - be carried out of the designated areas for the service.

8.1) Owner reserves the right to conduct inspections on those areas: upon such inspections, if there are irregularities noted, Contractor will take the proper steps for corrective action in a timely manner.



- 8.2) Contractor also agrees to leave, at the end of this contract, all used spaces in good and clean conditions.

Article 9 (Damages and liability):

- 9.1) Contractor assumes full liability for any damage to the property or third parties resulting from the performance of services under this Contract.

- 9.2) For the purpose of paragraph 9.1), and as required in Annex 3 of the proposal letter, Contractor will provide for an insurance policy (GLC, General Liability Coverage) with an accredited national insurance company with a maximum amount of

USD 2.000.000 (two million US dollars) for each accident, with the limit of USD 2.000.000 (two million US dollars) for each person sustaining physical damage.

The policy must remain in force for the entire duration of this Contract. The policy and eventual extension and/or renewals must indicate the Owner as additional insured.

Article 10 (Assignment):

- 10.1) This Contract - and any credits originating from it - cannot be assigned by Contractor to others without Owner's written consent.

Article 11 (Subcontracting):

- 11) **Contractor is responsible for all activities and is not allowed to subcontract these to third parties without Owner's written consent.**

Article 12 (Force majeure):

- 12.1) Neither party will be held responsible when the non-fulfillment of this Contract is caused by forces beyond one's control, such as, natural calamities, terrorist acts, new dispositions in public order, pandemic, etc. A strike is not considered a cause beyond one's control.

In these circumstances the party whose performance is directly or indirectly affected by these forces must quickly inform the other party and take all possible actions and precautions to resolve the situation as soon as possible.

Article 13 (Penalties)

- 13.1) The Contractor will incur in a penalty where the performance of the services is not executed in accordance with the provisions of this Contract, the technical specifications attached to the Invitation letter to participate to the bid dated November 17th, 2023 (attachment A) and the technical proposal presented by Contractor - together with the entire documentation requested to participate to the bid on January 2nd, 2023 (envelope B).

- 13.2) Penalties are set forth as follows:

- a) A penalty is set at \$ 50 (fifty dollars) for every time the services are not performed in accordance with the technical specifications attached to the



Invitation letter to participate to the bid.

In particular, following the procedure set in those technical specifications the penalty of \$ 50 will be applied when the declaration of conformity cannot be issued because of even on single error found - from the Officer of the Owner responsible of the service - for the second time after the batch under control has been totally rescanned because of previous errors found on a sample of 100 and 300 images.

b) A penalty is set at \$ 250 (two hundred fifty) where the breach arises from a random quality check that does not meet the agreed quality standards in the execution of the contract.

13.3) The procedure for notifications of breach of the Contractor's' obligations is as follows:

- A) The Owner will notify in writing the failure to comply with the agreed obligations. Such notification shall, if deemed appropriate by the Owner, include instructions to the Contractor to rectify the deficiencies giving timescales for remedy.
- B) Within 2 days of receiving this notification, the Contractor will respond in writing with acceptance and/or alternative suggestions as to how to rectify the deficiencies.
- C) The Owner shall respond within 2 days in writing either accepting the Contractor's submission or rejecting it, acting reasonably. The Contractor must proceed with the instructions given.
- D) The payment of the Default Fee of \$ 50 (or \$ 250 under clause 17.2b.) - for every time the services are not executed in accordance with documents under 17.a. - shall be deducted from the following payment due to the Contractor.
- E) If the amount of the deductions from the payments reaches ten percent (10%) of the total value of the digitation service (equal to \$ 10,832.00), the owner may terminate the contract upon written notice.

Article 14 (Termination of the Contract):

14.1) Beyond the case cited above in 13.3.e), Owner has the right to terminate this Contract through written notification in case the Contractor fails to remedy the default within 10 days from receipt of notice from the Owner in the following cases:

- a) major failure to observe legislative norms, local rules or the provisions of this contract;
- b) inadequacy or evident negligence in the Contractor's work;
- c) major delays by Contractor in meeting operational deadlines as routinely envisioned in the provision of the services as scheduled above: considering the possibility of rescanning entire batches in case of repeated errors found by the Responsible of the service of the Owner, three more weeks will be added — in total — to the deadline set forth in the OPA for the conclusion of the service. Once three more weeks have passed, the contract may be



- terminated;
d) in case of Contractor's bankruptcy.

Article 15 (Contractual modifications):

15.1) The present Contract cannot be tacitly modified without the written consent of both parties.

Article 16 (Compliance with Federal and State laws)

16.1) The Contractor shall be responsible to comply with all Federal, State and local laws and regulations including registration and licensing of the Contractor.

Article 17 (Domicile and representation):

17.1) Contractor expressly declares its domicile as the legal domicile specified in the present Contract, that it is licensed and registered to do business in the jurisdiction, and that it will not change it, without prior written notification to Owner, during the period this Contract is in force. The Contractor agrees that representations made by the Contractor are true.

Article 18 (Disputes and arbitration):

18.1) The parties to this Contract pledge to collaborate in good faith towards a mutual resolution of any eventual dispute that might arise in the administration and execution of the present Contract.

18.2) Any disputes that cannot be resolved by the two parties to this Contract will be referred to a board of three arbiters: one arbiter will be chosen by Owner and one will be chosen by Contractor; the third will be chosen by the two foregoing arbiters and will act as president of the board. The board's deliberations will be intended as the negotiated will of both parties, who will accept the resolution integrally in fulfilling the arbitration. Said arbitration board will not be constrained by any formality and its decision will have contractual force between the parties, excluding any possibility of impingement or complaint.

18.1) Once the controversy is born through a complaint by one of the parties, which has named its arbiter and given notification of same to the other party by certified mail return receipt requested, the other party must name its own arbiter, following the same procedure as above, within 30 days from receiving the complaint. The two designated arbiters will have 10 working days to name the president of the arbitration board.

Article 19 (Referring law):

19.1) Notwithstanding eventual obligations foreseen by local laws, the present Agreement is intended as regulated by Italian law as well as US Federal and State law.

Article 20 (Warranty):

20.1) For the warranty of the performance of this contract, the Contractor, upon signing the contract, will deliver a cashier check or a performance bond equal to 10% of the total contract amount to be held by the Owner.



Article 21 (Limitation of Liability):

21.1) IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, WHETHER OR NOT SUCH DAMAGES WERE FORESEEABLE OR A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CONTRACTOR WILL HAVE NO LIABILITY FOR LOSS, DAMAGE OR DESTRUCTION OF DOCUMENTS OR DATA RECEIVED FROM CUSTOMER, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BY CONTRACTOR. NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY, CONTRACTOR'S MAXIMUM LIABILITY WILL NOT EXCEED THE AGGREGATE AMOUNT PAID TO CONTRACTOR IN THE SIX (6) MONTHS PRIOR TO THE EVENT GIVING RISE TO THE CLAIM; PROVIDED, HOWEVER, THAT THIS LIMITATION WILL NOT APPLY WITH RESPECT TO DAMAGES FOR BODILY INJURY (INCLUDING DEATH) AND DAMAGE TO REAL PROPERTY.

This agreement contains the entire understanding between the parties respecting the matters set forth, and supersedes all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties hereto and respecting such matters.

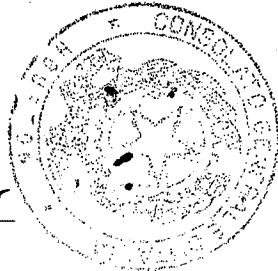
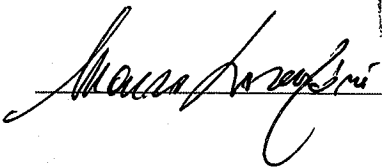
Any changes in this agreement must be in writing and signed by both parties. This agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, personal representatives, successors and assign.

Signed on September 17th 2024

Consulate General of Italy

Mauro Lorenzini

Consul General



ARC Document Solutions, LLC

NAME: John J. Zulli

Title: EVP, Operations, North America

