



STATE OF DELAWARE  
DEPARTMENT OF STATE  
**Secretary of State Voluntary Disclosure Agreement Program**

November 13, 2019

ISSUED BY: Kristopher Knight  
Deputy Secretary of State  
302-857-3642

SUBJECT: **AWARD NOTICE- ADDENDUM #1**  
**CONTRACT NO. STA-16101-VDA**  
**PROFESSIONAL SERVICES AGREEMENT for Department of State Unclaimed**  
**Property Voluntary Disclosure Agreement Consulting Services**

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**TABLE OF CONTENTS**  
**OF**  
**KEY CONTRACT INFORMATION**

<b>1. CONTRACT PERIOD .....</b>	<b>2</b>
<b>2. VENDORS .....</b>	<b>2</b>
<b>3. SHIPPING TERMS .....</b>	<b>2</b>
<b>4. DELIVERY AND PICKUP .....</b>	<b>2</b>
<b>5. PRICING .....</b>	<b>2</b>
<b>ADDITIONAL TERMS AND CONDITIONS.....</b>	<b>3</b>

**KEY CONTRACT INFORMATION**

**1. CONTRACT PERIOD**

[\(Return to Table of Contents\)](#)

**TL2Q LLC**

The term of the initial Agreement shall be from October 11, 2017 through October 11, 2019. The Agreement may be extended for three (3) one (1) year periods, at the option of Delaware, through negotiation between the Vendor and Delaware. Delaware reserves the right to extend this Agreement on a month-to-month basis for a period of up to three months after the full term of this Agreement, as stated in this Paragraph 2.1, has been completed. This contract has been extended through October 11, 2020 under the same terms and conditions.

**Drinker Biddle & Reath LLP**

Irrespective of when this Agreement is executed by the Parties, the Term of this Agreement shall be from August 16, 2017 through August 16, 2019. Upon execution of this Agreement, the Sixth Amendment to the Agreement dated August 22, 2012 between the State of Delaware and Drinker Biddle & Reath LLP is hereby deemed null and void. This Agreement may be extended for three (3) one (1) year periods, at the option of Delaware, through negotiation between the Vendor and Delaware. Delaware reserves the right to extend this Agreement on a month-to-month basis for a period of up to three months after the full term of this Agreement, as stated in this Paragraph 2.1, has been completed. This contract has been extended through August 16, 2020 under the same terms and conditions.

**2. VENDORS**

[\(Return to Table of Contents\)](#)

<p><b>Drinker Biddle &amp; Reath LLP</b> 222 Delaware Avenue, Suite 1410 Wilmington, DE 19801</p> <p>Contact: Geoffrey A. Sawyer III Phone: 302-467-4230 <a href="mailto:Geoffrey.Sawyer@dbr.com">Geoffrey.Sawyer@dbr.com</a></p> <p>STA-16101-VDA</p>	<p><b>TL2Q LLC</b> 477 Madison Avenue New York, NY 10022</p> <p>Contact: James S. Pellen Phone: 212-359-1715 <a href="mailto:James.Pellen@tl2q.nyc">James.Pellen@tl2q.nyc</a></p> <p>STA-16101-VDA</p>
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**3. SHIPPING TERMS**

[\(Return to Table of Contents\)](#)

N/A

**4. DELIVERY AND PICKUP**

[\(Return to Table of Contents\)](#)

N/A

**5. PRICING**

[\(Return to Table of Contents\)](#)

Prices will remain firm for the term of the contract year.

**TL2Q LLC**

<b>TL2Q Professional</b>	<b>Hourly Rate (USD)</b>
CEO, Partner	515
Director	365
Manager	270
Supervisor	205
Staff	145

Vendor will be reimbursed for reasonable out of pocket expenses. Any expenses related to travel should be pre-approved by the state.

**Drinker Biddle & Reath LLP**

<b>DBR Professional</b>	<b>Hourly Rate (USD)</b>
Partner	\$ 513.00
Counsel	\$ 500.00
Senior Director, Accounting	\$ 439.00
Senior Associate	\$ 398.00
Director, Accounting	\$ 365.00
Associate	\$ 316.00
Manager, Accounting	\$ 270.00
Junior Associate	\$ 254.00
Supervisor, Accounting	\$ 205.00
Staff, Accounting	\$ 145.00
<b>Wipfli Professional</b>	<b>Hourly Rate (USD)</b>
Director	\$ 274.00
Senior Manager	\$ 253.00
Manager	\$ 212.00
Staff	\$ 174.00-\$191.00

No fees will exceed the highest hourly rate stated above and no additional professional(s) will be added unless pre-approved in writing by Delaware. No costs or fees will be billed by Vendor for Vendor's consultation with the Delaware Department of Justice or any duplicate costs or fees billed for any documents Vendor creates and then produces to Delaware per Delaware's request. Vendor will be reimbursed for reasonable out of pocket expenses. Any expenses related to travel shall be pre-approved by Delaware. Maximum out-of-pocket travel expenses for any fiscal year will not exceed \$25,000. The first fiscal year for purposes of such expenses is to commence on the date this Agreement is executed.

**ADDITIONAL TERMS AND CONDITIONS**

[\(Return to Table of Contents\)](#)

**6. BILLING** (same for both vendors pursuant to RFP)

- a. Billing rates will be in effect for entire matter as provided for in the outside counsel contract. Any change must be approved by the Coordinating Attorney in writing 60 days in advance of the effective date of the change in a billing rate.
- b. General Billing practices

- i. Bills to be rendered monthly within 30 days after end of month for entire month. No carry-over billing (example cannot bill from May 1 - June 15).
- ii. Details of fees by lawyer, paralegal, number of hours by task, description.
- iii. Expenses/disbursements detail and charges by category.
- iv. Block Billing of Services is unacceptable. All bills shall be billed in increments of no less than 0.1 billing hour (6 minutes).
- v. Time billed for each activity should be identified separately. Do not combine different types of activities in one entry on the invoice. "Block billing" of fees is not acceptable, even if the same individual performed the activities.
- vi. The description of services or activity should be brief and informative. For example merely listing "Research" is not an acceptable billing entry. An acceptable entry would be "Legal research on statute of limitations issues related to [Insert issue]. Another example would be merely listing "Telephone calls" would not be acceptable, instead "Telephone calls to J. James of [Firm] and M. Smith [of firm] re: motion to dismiss." Be sure to identify the "who, what and where."
- vii. No more than 2 outside counsel attorneys at meetings, depositions, mediations, negotiations, and/or hearings unless pre-approved by the Coordinating Attorney.
- viii. No firm paralegals at meetings, depositions, mediations, negotiations, and/or hearings unless pre-approved by the Coordinating Attorney.
- ix. Billable hours for summer interns/clerks will not be allowed unless pre- approved by the Coordinating Attorney. More than 12 hours per day by one member of outside counsel staff will be closely reviewed.
- x. Internal conferences accounting for more than 10% total monthly billings closely reviewed. Excessive intra-office conferences between attorneys or paralegals for the purpose of providing instruction or status will be closely reviewed.
- xi. Excessive number of attorneys performing services in a matter will be closely reviewed, unless prior approval is received from the Coordinating Attorney in writing.
- xii. Billing for research on general legal issues which should be within the knowledge of the firm and/or associate will be closely reviewed.
- xiii. Billing of hours for work done by multiple attorneys in the firm for similar work on the same issue will be closely reviewed.
- xiv. Billing attorney and/or paralegal time for invoice preparation, review, or for corrections to the invoice is not acceptable.
- xv. Excessive time spent in "file review" will be closely reviewed.
- xvi. Excessive time spent in "review and revision" of documents that you prepare will be closely reviewed.
- xvii. Charging attorney time for tasks that should be performed efficiently and effectively at less expense by a paralegal or secretary, or charging paralegal time for tasks that should be performed by clerical workers will be closely reviewed. For example, we do not allow charging attorney time for arranging logistics for a deposition.

Award Notice

Contract No. STA-16101-VDA

xviii. Hours charged at a more senior attorney rate when a matter should be handled by a less senior attorney will be closely reviewed.

xix. Charging for secretarial time, and or overtime or other staff members is not acceptable.

c. Expenses/Disbursements

i. Reasonable expenses and fees will be reimbursed. Should you have any questions or concerns whether or not a fee or expense falls within the reasonable expense range or will be reimbursed please contact your Coordinating Attorney for an approval.

ii. Examples of non-reimbursable overhead

- a. Computer, e-mail, word processing charges
- b. Conference room charges, rent
- c. Supplies
- d. Library use, staff
- e. Clerks
- f. Proofreader charges
- g. Support salaries
- h. Telephone charges
- i. Fax charges
- j. Online research (Westlaw, Lexis)

d. Use of Outside Consultants, Experts and Contract Attorneys. There may be instances where the use of consultants, experts and contract attorneys may be required to staff a case. This should be done as part of the case planning in conjunction with your Coordinating Attorney. These fees should be reasonable and necessary and are subject to approval by the Delaware Department of Justice.

7. **PAYMENT** (same for both vendors pursuant to RFP)

All contract costs must be as detailed as possible in the cost proposal. No charges or expenses other than those which have been presented in the proposal, and subsequently approved, shall be allowed without written consent of the State. **The rate per hour per each level of personnel working on the engagement must be identified along with an estimate of anticipated expenses.**

The Cost Section **must** contain all detailed cost information relative to performing the engagement as described in this RFP.

If a Vendor determines additional items are necessary for the completion of this engagement, including more detail to demonstrate their engagement process, the Vendor may include these in their proposals as separate line items. Any additional items will be considered individually and removed from the total cost when comparing the cost sections of proposals.

**j. Manner of Payment Notice**

Invoices are to be issued monthly based on the hours of worked/incurred during the month. Invoice periods should not cross over into other months. Expenses should only be included in the respective month's invoices. Copies of ALL applicable receipts for expenses must be included with the invoice. **Expenses will be reimbursed in conjunction with the State's reimbursement policy for state employees. Vendors are expected to be familiar with the policy and should provide support to document that the expense(s) falls within the State's reimbursement policy (e.g., support for the**

Award Notice

Contract No. STA-16101-VDA

***hotel room rate). Expenses outside of the State's reimbursement policy will not be paid unless previously approved in writing by DOS. Any approval needs to be attached to the invoice as support for the payment.***

The invoice for each month must include the following:

- Name of engagement entity/engagement;
- Total invoice amount – along with subtotal or fees and expenses;
- Period of time that the invoice covers which should be documented with a beginning and end date of the invoice period (e.g., January 1, 2016 to January, 31, 2016). Invoices are to be issued on a monthly basis;
- Attestation from the engagement partner(s) that the hours reported are actual hours worked as indicated by staff level and category;
- Attestation from the engagement partner(s) that the expenses fall within the scope of agreed upon services and are billed according to the state employee reimbursement policy;
- Summary schedule with a breakdown of each engagement team member hours for the period with the rate per hour and total invoiced for each engagement team member;
- Detail schedule with actual hours for each person for each day by task. Each entry for hours incurred should include a description of the work performed and along with: name of holder, name of document reviewed, persons met with and/or called and/or communicated with, emails or other documents prepared, and/or meetings attended. When warranted, if clarification is needed, additional information may be requested to elaborate on the services performed related to the hours billed. To the extent that legal services are provided, the DOJ's Outside Counsel Billing Policy as denoted in Appendix A must be followed and be invoiced separately.
- It is expected that expenses will be included in the associated month's invoice. Detail associated with expenses includes the amount, description, and dates of all out-of-pocket expenses for which reimbursement is requested. The following should also be included: purpose of the expense, including name of holder and individuals who Vendor has traveled to meet. The date the expense incurred is the date of the actual expense and NOT the date the expense was processed for reimbursement by the team member. Late processing of expenses, if permitted, will need to be invoiced separately and cannot be comingled in another month's invoice. Consequently, late expenses will be billed separately as an addendum to the associated month's invoices.
- An excel spreadsheet detailing the team member, hours worked and description are to be provided along with the hard copy of the invoice for Vendor employees and for any sub-contractors working on the engagement.
- Invoices are to be issued within 30 days after the end of the month along with any associated expenses.

Firms must submit all invoices in electronic pdf format for DOS approval. The invoices can be sent via email along with the associated excel schedules.

Any additional work outside the contract or for additional fees related to the contract is not permitted without the DOS' knowledge and written approval.

Firms are not to advance bill for work not yet performed. DOS reserves the right to audit the firm's timekeeping records to ensure billing is appropriate and done after-the-fact.

## **8. PRODUCT SUBSTITUTION**

N/A

**9. ORDERING PROCEDURE**

N/A

**10. PURCHASE ORDERS**

Agencies that are part of the First State Financial (FSF) system are required to identify the contract number STA-16101-VDA on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.

**11. REQUIREMENTS**

N/A

**12. HOLD HARMLESS**

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

**13. NON-PERFORMANCE**

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

**14. FORCE MAJEURE**

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

**15. AGENCY'S RESPONSIBILITIES**

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an

Award Notice

Contract No. STA-16101-VDA

unfavorable rating in the execution of the awarded contract.

- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.

**16.** If required, identify additional key items and conditions – or – delete this line entry

Note to Agency: If any of the language in this template conflicts with the language in the contract, the language in this template may be edited as required.