

Summary of Key Changes to Proposed CSP Contract from Prior CSP Contract

General Changes

- Updated references throughout the document to the new address of the Governing Board's offices.
- Added "Contingent Member State" throughout the document where the contract previously referred to Member and Associate Member States
- Added references to specific Sections of the SSUTA and SSTGB Rules where possible

Section A - Definitions

- Added definition of "Contingent Member State"

Section B – Scope of Services

- Added description of Certified Service Provider (CSP) Services to better describe exactly what the CSPs are doing for the Sellers
- B.2 – Removed the specific references to the North Carolina Department of Revenue since North Carolina has indicated this is no longer necessary.
- B.3 from prior contract – Incorporated the provisions contained in this section in the description of CSP services added to Section B.1 and to the provisions of the new section B.3. to prevent duplicative language/provisions from being included in the contract.
- Revised new Section B.3 to add provision making it clear that other services for which the CSP is not compensated are not covered by this contract.

Section C – Contract Term

- Made contract effective through December 31, 2017 (3 year period).
- Added statement making it clear that the Contractor's liability survives until the expiration of the state's statute of limitations rather than when the contract ends.
- Provided an option for extending the existing contract for 2 additional 3-year periods.

Section D - Compensation

- Added statement that if Contractor obtained the volunteer/non-volunteer status of a client in the 6 months prior to when the annual statement is needed from each of its sellers, the Contractor is not required to get another statement from that seller.
- Section D.10 – rewrote to clarify when CSP is entitled to compensation if Seller loses volunteer status. Also clarified that CSP can claim compensation during time period when State and Contractor are working to determine if a Seller is or is not a volunteer.
- Removed "Other Compensation Formulas" section since it is not needed.

Section E – General Terms and Conditions

- Rewrote E.1 to make it easier to understand and to make it clear that if CSP timely files and submits the return and taxes due, but the state rejects the return or taxes because of an error by the state, the CSP is still entitled to the compensation.
- E.2 – Added sentence to make it clear that the contractor can pursue the Seller for lost compensation if it is due to the Seller not timely remitting the taxes to the contractor.

- E.3 – Change provision to allow Contractor until the last day of the calendar month that is at least 10 days from date of notification for revise their CAS. The Contractors implement updates to their systems once a month (and occasionally more if a “hot fix” is needed). This change will help eliminate the need for making multiple changes during a given month and will allow them adequate time to get their systems updated. If change not made by last day of calendar month, Contractor is liable for those errors beginning on first day of next month. Clarification added to make it clear that regardless of who does the mapping, the Contractor is liable for the errors.
- E.4. – Added language to address state and CSP responsibilities in the event the CSP adds new product categories to their CAS after it is initially certified.
- E.5. – Added liability relief provisions in the event the Seller files for bankruptcy.
- E.6. – Added liability relief provisions related to those sellers for whom the CSP is not compensated by a state because the Seller is not a Volunteer Seller.
- E.7. – Added liability relief provisions to cover those situations where the Seller has gone out of business.
- E.27. – Struck requirement that the Contractor provide timely responses to requests for Dun & Bradstreet Inc. or other industry rating companies.
- E.51 – Exhibits – Added references to various Appendices that are a part of the CSP Minimum Standards and Re-Certification Standards.