



POINT OF SALE RETAIL AGENT CONTRACT

DNR USE ONLY

Corporation ID:

Agent ID:

Terminal #:

THIS CONTRACT by and between _____, hereinafter referred to as the "Agent", and the Michigan Department of Natural Resources, an agency of the State of Michigan, hereinafter referred to as the "Department" is effective upon signature by both parties.

The parties agree as follows:

1. **Sale of Products:** The Agent agrees to provide services to the Department for the sale of hunting, fishing and other licenses, permits, applications, and other items ("Products") in conformity with this Contract; any applicable laws; all Department rules and regulations; and official directives to the Agent issued by the Department. Such sale must be made only in the locations identified in the Point of Sale (POS) License Agent Application form (PR9414).
2. **Agent Commission:** The Department agrees to pay the Agent 7.5% commission on hunting and fishing licenses and applications sales, \$0.25 for each ORV and ORV Trail permit sold and \$1.00 for each Snowmobile Trail Permit sold.
3. **Terminal Fees:** The Agent agrees to pay the Department a weekly terminal fee as follows:
 - a. Agents authorized to issue Products for less than a full license year shall pay a terminal fee of \$5.00 per week until the Agent has been authorized to issue Products for a full license year;
 - b. After the Agent is authorized to issue Products for a full license year, the Agent shall pay a terminal fee of \$2.50 per week if the Agent's Product sales were less than \$35,434.20 for the previous full license year, or \$5.00 per week if the Agent's Product sales were more than \$35,434.20 for the previous full license year.
4. **Equipment and Replacement Costs:** The Agent agrees to safeguard equipment and supplies and use them for no purpose other than Department related business. The Agent acknowledges that damage to the equipment is the responsibility of the Agent and that costs necessary to replace or to restore the equipment to the condition, which existed prior to the damage, must be paid by the Agent. The Agent agrees to notify the Department or its designee immediately upon failure of the POS equipment. The Department agrees to replace failed equipment.
5. **Electronic Funds Transfer:** The Agent agrees to remit all funds held in trust for the State of Michigan via Electronic Funds Transfer (EFT) in the manner and frequency as determined by the Department. EFT's are formulated once a week. If the Agent's terminal is able to connect with the Department's host computer, an EFT bulletin will be sent to the Agent's terminal on Sunday evening for review on Monday morning. The EFT file is sent to the Agent's financial institution on Tuesday. The Agent has until 5 p.m. Tuesday to report any discrepancies. It is the Agent's responsibility to have funds available by Wednesday morning of each week. If the EFT fails, it will be sent back through a second time. If it fails for the second time, the Agent's terminal will automatically deactivate for two to three weeks, until the money is received electronically. If the Agent has three (3) failed EFTs within a 12-month period, the Agent's account will be terminated. Please note that the Agent is ineligible to pay by EFT if the bank account identified on the EFT Authorization Form is funded or otherwise associated with a foreign bank account to the extent that the payment transaction would qualify as an International ACH Transaction (IAT) under the NACHA Rules.
6. **Assignment and Transfer:** The Agent's rights and obligations established by this Contract are NOT assignable or transferable. Upon any transfer of ownership of the Agent's business, the Agent must terminate this Contract with the Department via written or email notice to the Department as provided in this Contract.

7. **License Voids:** The Agent may only void Products due to issuing errors or printer malfunctions. The Agent has up to 30 days to void a Product if the season for that Product has not begun. Once the season for a Product has begun, Products may be voided within 24 hours of issuance. The Agent shall write VOID across the Product and return all voided Products to the Department.

8. **Termination by Agent:** The parties agree that this Contract may be terminated by the Agent at any time by written or email notice to the Department. Immediately upon such termination, the Agent must remit all sales revenue to the Department, and return all Department-owned property to the Department, or fully compensate the Department for all terminals, forms, manuals and other Department property as directed by the Department.

9. **Termination by Department:** The parties agree that the Department may terminate this Contract for any of the following reasons:

- a. Lack of need as determined by the Department in its sole discretion, or
- b. Failure by the Agent to meet the terms and conditions of this Contract.

10. **Termination Conference:** Upon notification of termination by the Department, the Agent may request an informal conference with the Department's designee. The informal conference will provide an opportunity to review the reason(s) for termination with the Agent, and the Agent will have the opportunity to respond. After the informal conference, the Department's representative may decide to continue the Contract, place the Agent on probation, require a cash bond or confirm termination of this Contract. The Agent will be notified in writing of the Department's decision. Violation of the terms of any probation by the Agent may result in termination of the Contract without benefit of further conference.

11. **Compliance with Laws and Regulations:** The Agent agrees to comply with all Federal and State laws, rules and regulations involving non-discrimination on the basis of race, color, religion, origin, disability, age or sex and all laws and regulations concerning employment and wages. The Agent further agrees to comply with all Federal and State laws, rules and regulations administered by the Department.

12. **Confidential Information:** The Agent understands and acknowledges that customers will disclose to the Agent both personal and confidential data, materials, and information when seeking system Products. The Agent agrees that data, material, and information gathered by or disclosed to the Agent in the Agent's performance of this Contract will not be disclosed to others, discussed with third parties, or otherwise distributed or utilized by the Agent or any representative or employee of the Agent. The Agent agrees that all data received from system customers, including but not limited to driver's license numbers, and other personally identifying information must be kept confidential. Any breach of this provision will result in immediate termination of this Contract.

13. **Sales Price:** The Agent agrees to sell all Products authorized by this Contract at the prices directed by the Department. Any additional fees by the Agent must be clearly communicated to the customer prior to a sales transaction.

14. **Agent's Equipment Operation:** The Agent and its employees are required to understand the functionality of the licensing equipment and required to issue all licenses, applications and permits in accordance with all applicable laws, regulations and Department policies, including but not limited to:

- a. The Agent agrees to read all communications from the Department in a timely manner and disseminate the information to all employees who issue Products.
- b. The Agent will not knowingly issue a Product based on false or misleading information.
- c. The Agent will not knowingly circumvent the system and must read all questions as prompted by the system and accurately record customer responses.

- d. The Agent must create and maintain user accounts in the license sales system for its employees as determined to be necessary by the Agent including but not limited to:
- i. Maintaining and resetting user passwords for its employees as required.
 - ii. Maintaining active user account ID's and keeping account passwords confidential.
 - iii. Immediately disabling user accounts upon separation of the user from employment with the agent.

15. **Agent's Use of Supplies:** The Agent must use all items supplied by the Department only for the intended purpose of selling and issuing Products. The Agent must handle and/or return all unused supplies from previous license years as directed by the Department.

16. **Term:** This Contract is effective upon signature of both parties and shall expire on 3/1/2022. After the initial term, the parties may agree to renew the contract. However, the Department will not renew the Contract if the Agent's Product sales revenue from the previous full license year was less than \$2,000.

17. **Amendment:** The Department may from time to time require this Contract be amended or replaced in order to fulfill requirements of the Department's license sales system or requirements of law. Agent's failure to accept such amendments will result in termination of this Contract.

_____	_____	_____
<i>Agent Authorizing Signature</i>	<i>Title</i>	<i>Date</i>
_____	_____	_____
<i>Michigan DNR Authorizing Signature</i>	<i>Title</i>	<i>Date</i>