

EXHIBIT

5. Letter to Governor, re Declaration of Emergency, Superintendent DOE, March 31, 2010



**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**

www.gdoe.net
P.O. Box D.E., Hagatna, Guam 96932
Telephone: (671)475-0457 or 300-1547/1536 • Fax: (671)472-5003
Email: nbunderwood@gdoe.net



Nerissa Bretania Underwood, Ph.D.
Superintendent of Education

March 31, 2010

Honorable Felix P. Camacho
Governor of Guam
Hagatna, Guam 96910

RE: Declaration of Emergency for Document Management Services

Dear Governor Camacho:

Hafa Adai! We are respectfully requesting your approval for the issuance of a Declaration of Emergency for document management services. A Declaration of Emergency is necessary to ensure the functioning of the Department of Education.

This service will commence for a period of (1) one month from April 1, 2010 – April 30, 2010 allotting the Department of Education time to establish a new contract.

Submitted and attached please find the Certificate of Emergency for continuance of document management services for your approval.

Your immediate attention in this matter is appreciated.

Sincerely,


NERISSA BRETANIA UNDERWOOD, PH.D.
Superintendent of Education

Attachment

Cc: Supply Management Administrator
Deputy Superintendent of Finance & Administrative Services

EXHIBIT

6. Certified Declaration of Emergency, April 1, 2010



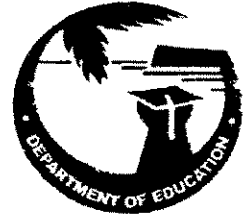
**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**

www.gdoe.net

P.O. Box D.E., Hagatña, Guam 96932

Telephone: (671)475-0457 or 300-1547/1536 • Fax: (671)472-5003

Email: nbunderwood@gdoe.net



Nerissa Bretania Underwood, Ph.D.
Superintendent of Education

CERTIFICATE OF EMERGENCY

WHEREAS, the Organic Act of Guam requires the Government of Guam to provide a free and adequate public education to the students of Guam (48 U.S.C.A. §1421(g)(b)); and

WHEREAS, Public Law 28-45 created the Every Child is Entitled to a Public Education Act; and

WHEREAS, document management services is integral for the functioning of the department

WHEREAS, the continuance of document management services is the highest priority; and


WHEREAS, the previous contract for document management services was protested which delayed the establishment of a new contract; and

NOW THEREFORE, based on the aforementioned laws and need for document management services, I NERISSA BRETANIA UNDERWOOD Superintendent, find that the Guam Department of Education is in a state of emergency jeopardizing the functioning of the Guam Department of Education; and


FURTHERMORE, upon the approval of the Governor, I authorize the emergency procurement of document management services as necessary to ensure the continued functioning within the department and in our schools; and

FINALLY, pursuant to 5 G.C.A. §5215 and under penalty of perjury, I certify that the facts stated above are true and that this statement of emergency is not being used solely for the purpose of avoidance of the provisions of Chapter 3 of the Procurement Regulations.

Signed this 31st day of March, 2010.


NERISSA BRETANIA UNDERWOOD
Superintendent of Education

APPROVED DISAPPROVED


FELIX P. CAMACHO
Governor of Guam

APR 01 2010
DATE

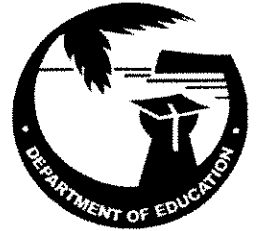
EXHIBIT

7. April 9, 2010, DOE Legal Counsel letter to IBSS General Counsel



DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT

P.O. Box DE
Hagåtña, Guam 96932
Telephone: (671) 300-1537
Fax: (671) 472-5003
Email: fsnishihira@gdoe.net
lmooney@gdoe.net



Nerissa Bretania Underwood, Ph.D.
Superintendent of Education

Fred Nishihira
Laura J. Mooney
Legal Counsels

April 9, 2010

Mr. John Thos. Brown
Attorney at Law
General Counsel
Jones & Guerrero Co. Inc. (Guam)
J&G Corporate Office
545 Chalan Machaute, (Rte 8, Biang St.)
Maite, Guam 96910



Re: Protest Letter filed March 19, 2010

Dear Mr. Brown:

Hafa Adai! I am in receipt of your letter dated March 19, 2010 regarding the protest of the extension of a current document service contract. In an effort to resolve the protest, I met with you on March 6, 2010 and stated that the Department of Education will do the following:

- 1) Provide a copy of the Governor's Declaration of Emergency as well as a copy of the Emergency Bid to your office which I have attached as part of this letter.
- 2) No later than the last day of April the Department of Education will agree to issue an Invitation for Bid for all fax machines and if time permits small copier machines that are used throughout the Department.
- 3) The Request For Proposal (RFP) previously issued will be modified to secure a document management services company to put together a software package to meet the needs of the Department and to produce generalize specifications for the hardware necessary to operate the proposed system.
- 4) The company that prevails on the RFP stated in item 3 will be prohibited from submitting a bid for hardware.

Please note with regard to items 3 and 4, our Procurement Administrator may in the alternative create specifications and issue a bid for our document management needs.

Your understanding and continued patience in this matter is appreciated. If you have any questions, please do not hesitate to call me.

Sincerely,


FRED NISHIHIRA
Legal Counsel

Cc: Superintendent of Education
Deputy Superintendent, F&AS
Supply Management Administrator

EXHIBIT

8. email from DOE Counsel to IBSS Counsel on August 12, 2010

Delivered-To: jngo@ozemail.com.au
X-IronPort-Anti-Spam-Filtered: true
X-IronPort-Anti-Spam-Result:
AsQBANZOY0zRVdUvkGdsb2JhbACfSwFkCBUBAQEBCQkMBxEDH599mj+FOgQ
X-IronPort-AV: E=Sophos;i="4.55,357,1278259200";
d="scan'208";a="160663991"
X-rim-org-msg-ref-id:1271485883
Reply-To: fsnishihira@gdoe.net
Sensitivity: Normal
To: "John Thos. Brown" <jngo@ozemail.com.au>
Subject: Re: Emailing: DOE info request 12 Aug 2010.PDF
From: "Fred Nishihira" <fsnishihira@gdoe.net>
Date: Thu, 12 Aug 2010 08:32:54 +0000

Hi John

I will open this tomorrow. But I thought I let you know that the AG informed me today that he will be delegating authority to DOE attorneys to review bids and RFP's over 500k.

When we get that appointment we will be issuing a bid for the larger copiers.

Thanks Fred

Sent from my MPULSE BlackBerry powered by GTA!

-----Original Message-----

From: "John Thos. Brown" <jngo@ozemail.com.au>
Date: Thu, 12 Aug 2010 17:01:50
To: Fred S. Nishihira <fsnishihira@gdoe.net>
Subject: Emailing: DOE info request 12 Aug 2010.PDF

Fred, Please take note of attached pdf copy of letter to Superintendent regarding both request for information and pending (unanswered) protest from July 1, 2010.

We can discuss, but that's all we seem to do.

Cheers, John

The message is ready to be sent with the following file or link attachments:

DOE info request 12 Aug 2010.PDF

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

EXHIBIT

9. Letter, July 1, 2010, from IBSS' General Counsel to the Superintendent

JOHN THOS. BROWN
ATTORNEY AT LAW *

COPY

GENERAL COUNSEL

Jones & Guerrero Co. Inc. (Guam, USA)
Its divisions, subsidiaries and affiliates²

J&G Corporate Office
545 Chalan Machaute, (Rte 8 @ Biang St.), Maite, Guam 96910

Telephone: +1-671-477-7293

Fax: +1-671-472-6153

email: jngo@ozemail.com.au

Mobile/Cell phone: +1-671-483-5960

POSTAL: GPO Box 7, Hagåtña, Guam 96932

July 1, 2010

Mrs. Nerissa Bretania Underwood, Ph.D.
Superintendent, Guam Department of Education
P.O. Box DE
Hagåtña, Guam 96932

Copiers and related services, GDOE

Dear Superintendent,

IBSS (Island Business Systems and Supplies), is a division of Town House Department Stores, Inc., a J&G affiliate, a locally owned and operated Guam corporation. IBSS provides document scanning management services and equipment and is a potential bidder or offeror for same. I am writing on behalf of IBSS, as its General Counsel.

With this new month of July, I am assuming that DOE will be continuing its serial so-called emergency ad hoc procurement of copier equipment and services, in the manner reflected in the RFQ for one month's services for the month of June. If DOE does so, IBSS will formally protest the action as soon as it has notice of the action. It is hoped this letter will head off any such confrontation.

This does not come in a vacuum, as you would know. IBSS issued its first protest against the improper procurement of copiers and services in December 2007 after months of attempted dialogue with DOE was ignored.

When IBSS again protested the improper "renewal" of the expired Xerox 2000 contract in March this year, DOE Counsel sought IBSS' forbearance. In his letter to me dated April 9, 2010, Mr. Nishihira committed, "if time permits [DOE will issue an IFB for] small copier machines that are used throughout the Department."

True to his word, DOE did issue the IFB (# 006-2010), dated May 3, 2010, for a May 21

* Admitted to Practice: California, Guam and Commonwealth of Northern Mariana Islands, USA [Inactive in NSW, Australia]*

² Micronesian Brokers, Inc. (Guam and CNMI)/Town House Department Stores, Inc. (Guam)/J&G Distributors/Aquarius Beach Towers, (Saipan, CNMI)/Livno Holdings PTY LTD (A.C.N. 003 585 331)/Townhouse, Inc. (Saipan, CNMI)/ IBSS (Guam and Saipan)

submission. IBSS submitted a bid and was noted to be low bid at bid opening. Nevertheless, time passes and no award has been made. Nor has there been any official notice that the solicitation is cancelled. DOE is permitting supposedly precious time to elapse.

Meanwhile, from April 1st, DOE continued to, in effect, renew the Xerox contract month to month, based on serial monthly declarations of emergency. Each declaration is a copy of the first, so no new emergency condition is cited with each passing emergency: they are all one and the same.

Thus, IBSS protests any continued use of the emergency declarations. They are factually incorrect and legally inadequate.

The declarations state that “the continuation of document management services is of the highest priority”, yet the one IFB issued to obtain such services has been left unattended. That’s not very good evidence of “highest priority”; indeed it belies the declared “emergency”.

The declarations state that “the previous contract for document management services was protested which delayed the establishment of a new contract”. That is simply preposterous.

The previous contract was made in the year 2000 and improperly renewed. The protest on that contract was made in December 2007. Final decision on the protest was rendered by OPA on November 28, 2008, which declared that the contract was as of that date terminated.

Is anyone truly to believe that a protest made in 2007 and decided in 2008 can be the basis for an emergency in 2010? Such a statement is factually without merit.

And the use of the declaration of emergency for the ongoing renewal of Xerox equipment and services is also legally without merit. It does not even pretend to meet the requirements of 5 GCA § 5215, which is the only authority to procure anything based on a condition of emergency.

For one thing, the law states that no procurement can be made of goods or services greater than that which is necessary to meet an emergency for the thirty (30) day period immediately following the emergency. The emergency was declared April 1st. Each subsequent declaration recites the same emergency, so the 30 days have elapsed. There is no new emergency to base ongoing procurements upon. Indeed, the law makes it clear that this is to apply to any “emergency procurement *or combination* of emergency procurements”.

Formally, the declarations do not contain the required “statement that emergency procurement is not being used solely for the purpose of avoidance of the provisions of this Chapter”.

Critically, an “emergency” procurement is not justified by “any threat to public health, welfare, or safety which could not have been foreseen through the use of reasonable and prudent management procedures”. (2 GAR § 1106(47).)

DOE knew that a new procurement would be necessary for at least two reasons, yet did not reasonably or prudently take a course of action to prepare for it. First, it knew in 2008 that the

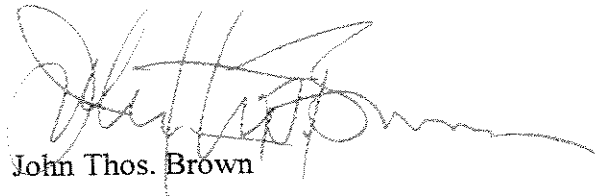
prior contract was improper and terminated; second, it knew in 2005 that the contract would expire in 2009 if not sooner terminated.

The failure of DOE to prepare to provide for something its own declaration states "is integral for the functioning of the department" is a failure of management procedures, not an emergency within the contemplation of the emergency procurement statute.

IBSS has tried to cooperate with Mr. Nishihira, agreeing to cut him some slack in the expectation that the status quo would be disrupted. With the IFB, IBSS had high hopes, especially with its low bid, that DOE would level the playing field for copiers. Once again, however, I fear we are being led down a dark, dead end ally.

I will be more than amenable, as I have always been, to discussing a resolution of our protestable issues.

Respectfully submitted,



John Thos. Brown

email cc: Mr. Fred Nishihira

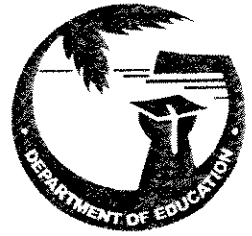
EXHIBIT

10. Superintendent response, July 7, 2010



**DEPARTMENT OF EDUCATION
OFFICE OF THE SUPERINTENDENT**

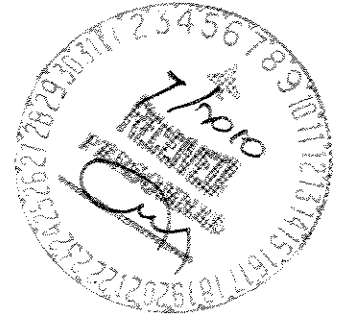
www.gdoe.net
P.O. Box DE, Hagatña, Guam 96932
Telephone: (671)475-0457 or 300-1547/1536 • Fax: (671)472-5003
Email: nbunderwood@gdoe.net



Nerissa Bretania Underwood, Ph.D.
Superintendent of Education

July 7, 2010

John Thos. Brown
Attorney At Law
General Counsel
Jones & Guerrero Co. Inc. (Guam, USA)
P.O. Box 7
Hagatna, Guam 96932



Re: Copiers and related services, GDOE

Dear Mr. Brown:

Hafa Adai! I am in receipt of your letter dated July 1, 2010 regarding the aforementioned matter. Please be informed that no award has been made with regard to IFB 006-2010 due to a lack of funds. The Department is in the process of requesting a supplemental budget to secure funding to award IFB 006-2010. With regard to the larger copying services for the Department, on May 21, 2010 an IFB was forwarded to the Attorney General's office for review and approval pursuant to Public Law 30-72. Several follow-up attempts regarding this and other RFPs and IFBs were sent to the Attorney General with no response. Like you, the Department is anxious to get this approval and to bid out the copying management needs for the Department. As you can understand that although I have provided you a copy of the transmittal letter I cannot provide you a copy of the underlying IFB as this has not been issued nor has the Attorney General approved it at this time.

Your understanding in this matter is appreciated. If you have any further questions, please feel to contact our Legal Counsel, Mr. Fred Nishihira at 300-1534.

Sincerely,


NERISSA BRETANIA UNDERWOOD, PH.D.
Superintendent of Education

Cc: Deputy Superintendent, F&AS
Supply Management Administrator

EXHIBIT

11. PROTEST: IFB 006-2010

JOHN THOS. BROWN
ATTORNEY AT LAW *

GENERAL COUNSEL

Jones & Guerrero Co. Inc. (Guam, USA)
Its divisions, subsidiaries and affiliates†

J&G Corporate Office
545 Chalan Machaute, (Rte 8 @ Biang St.), Maite, Guam 96910

Telephone: +1-671-477-7293

Fax: +1-671-472-6153

email: jngo@ozemail.com.au

Mobile/Cell phone: +1-671-483-5960

POSTAL: GPO Box 7, Hagåtña, Guam 96932

September 2, 2010

Mrs. Nerissa Bretania Underwood, Ph.D.
Superintendent, Guam Department of Education
P.O. Box DE
Hagåtña, Guam 96932

GUAM DEPARTMENT OF EDUCATION
Office of the Superintendent

PROCUREMENT PROTEST: Copiers IFB # 006-2010

Rec'd by: Mauw
Date/Time: 9/2/10

Dear Superintendent,

IBSS (Island Business Systems and Supplies), is a division of Town House Department Stores, Inc., a J&G affiliate, a locally owned and operated Guam corporation. IBSS provides document scanning management services and equipment and was a bidder for the referenced solicitation. I am writing on behalf of IBSS, as its General Counsel.

The bid was for approximately 100 copier machines. At bid opening on May 21, 2010, the bid prices were read aloud and IBSS was the low bidder. IBSS has not been determined to be non-responsible nor has its bid been rejected.

The bid has not been yet awarded, and it cannot be cancelled after bid opening (2 GAR § 3115(d)(1)(B).)

This is not an ordinary bid, coming as it did and does in the midst of declarations of emergency which you have declared, and indeed signed on the date of bid opening.

In your emergency declaration you stated, under penalty of perjury, that "document management services is integral for the functioning of the department."

You again stated, "the continuance of document management services is of the highest priority."

Guam Department of Education

9/2/10

* Admitted to Practice: California, Guam and Commonwealth of Northern Mariana Islands, USA [Inactive in NSW, Australia]*
† Micronesian Brokers, Inc. (Guam and CNMI)/Town House Department Stores, Inc. (Guam)/J&G Distributors/Aquarius Beach Towers, (Saipan, CNMI)/Livno Holdings PTY LTD (A.C.N. 003 585 331)/Townhouse, Inc. (Saipan, CNMI)/ IBSS (Guam and Saipan)

So on the date you declared the emergency, a properly conducted solicitation for nearly one hundred copiers, which would obviously go some way toward alleviating the emergency, was opened and the low bid known.

Indeed, you indicated as much when you wrote to the Governor on May 21st, asking him to certify that declaration of emergency (for the month of June). To induce him to again certify another month-long state of emergency, you specifically pointed out to him,

“since our last emergency delcaration DOE has issued IFB 006-2010 for small multifunction copier machines to accommodate our larger solicitation. This solicitation is intended to outfit several areas of the department while the larger solicitation is awaiting approval.”

IBSS has been given a copy of the declarations of emergency, but I was not aware of your letter(s) requesting the certification(s) until you provided a copy of the quoted letter amongst documents you provided to me on August 19, 2010, in response to my request for procurement information and FOIA.

DOE's failure to conduct the solicitation and award the contract, particularly in those emergency circumstances, strongly suggests bad faith, as to which IBSS protests.

While no definitive reason was ever formally offered for DOE's delay in awarding the contract for the IFB, it was suggested, as one reason, that DOE lacked funding.

Lack of available funds cannot be a justifiable reason when, at the same time, DOE was coming up with funds for monthly extensions of the *expired, terminated and illegal* Xerox Document Management Services contract ever since the beginning of the year 2010. (See, e.g., Purchase Order No. P106G00144 issued to Xerox Corporation, Consignee GDOE, as requisitioned on or about December 29, 2009, by DOE requisition no. Q109100-030 and the extension for an additional month (February) thereafter by DOE requisition number Q109[illegible]00030.) These purchase orders not only lacked solicitation or contract to back them up, there was no emergency declaration, either.

Here was a duly solicited contract to provide machines obviously needed, and yet funds were being spent with purchase orders *not backed up by legal solicitation or contract* for other copiers easily enough. Surely it would have been better to pay for legally solicited equipment than illegally solicited

equipment?

Further evidence of bad faith is suggested by the now apparent plan to supercede the protested bid into another bid soon to be announced. IBSS opposes that action until the prior bid, and this protest of it, are properly dealt with.

Further evidence of bad faith motives in dragging out the award of this IFB is suggested by a letter from Xerox to DOE's Office of Supply Management Administrator dated June 23, 2010, which raises objections to the award of bid to IBSS.

Bids are not intended to be considered on the basis of material extraneous to the IFB, and any correspondence with another bidder concerning a bid during the pendency of consideration of the bids is improper. IBSS believes that DOE's action taken to delay award of the IFB and roll it into the upcoming solicitation was unfairly and improperly influenced by the letter.

If it had not been for my request for information and your disclosure of it on August 19, IBSS would never have known of this interference and the illegal communications between DOE and a competing bidder.

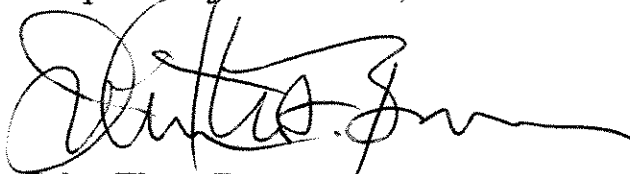
This letter very insolently demanded to know DOE's intentions with respect to the copiers in the IFB, and more pertinently "**[h]ow do you intend on evaluating IBSS's proposal...?**" Xerox had bid on the IFB and could have sought that information prior to bid opening, but did not.

The letter adds, "[s]hould you have any questions about the Document Management Services contract, or questions, or **Xerox' position** on the HP M3039x meeting the bid specs, please don't hesitate to call me..."

All of this compels the appearance that DOE and Xerox have contrived to avoid awarding the duly solicited contract to IBSS without good cause and in consideration of matters improperly submitted.

I hope to have your prompt and expeditious decision on this protest.

Respectfully submitted,



John Thos. Brown

EXHIBIT

12. Letter, October 5, 2010, from IBSS' General Counsel to the Superintendent

JOHN THOS. BROWN
ATTORNEY AT LAW *

GUAM DEPARTMENT OF EDUCATION
Office of the Superintendent
Rec'd by: Emily Selan
Date/Time: 10-05-10

GENERAL COUNSEL
Jones & Guerrero Co. Inc. (Guam, USA)
Its divisions, subsidiaries and affiliates²
J&G Corporate Office
545 Chalan Machaute, (Rte 8 @ Biang St.), Maite, Guam 96910

Telephone: +1-671-477-7293
Fax: +1-671-472-6153
email: jngo@ozemail.com.au
Mobile/Cell phone: +1-671-483-5960
POSTAL: GPO Box 7, Hagåtña, Guam 96932

5 October, 2010

Mrs. Nerissa Bretania Underwood, Ph.D.
Superintendent, Guam Department of Education
P.O. Box DE
Hagåtña, Guam 96932

RE: REQUEST FOR INFORMATION
and REMINDER OF PENDING MATTERS

Dear Dr. Underwood,

As you know, I am General Counsel for IBSS (Island Business Systems and Supplies), a division of Town House Department Stores, Inc., a J&G affiliate, a locally owned and operated Guam corporation.

I am led by media reports to understand that you have obtained from the Governor "one last" certification of emergency to acquire copiers and related services, which was to be implemented at some point in early September.

I am sure you are aware that an emergency declaration, or combination of emergency declarations, only authorizes the acquisition of a thirty (30) day supply of goods. (5 GCA § 5215.) I presume, and ask for information to ascertain, that the thirty day limit has by now been exceeded. Thus, any further expenditure of funds for ongoing supply of copiers and related services would apparently be without legal authority.

* Admitted to Practice: California, Guam and Commonwealth of Northern Mariana Islands, USA [Inactive in NSW, Australia]*

² Micronesia Brokers, Inc. (Guam and CNMI)/Town House Department Stores, Inc. (Guam)/J&G Distributors/Aquarius Beach Towers, (Saipan, CNMI)/Livno Holdings PTY LTD (A.C.N. 003 585 331)/Townhouse, Inc. (Saipan, CNMI)/ IBSS (Guam and Saipan)

Kindly provide me with the Declaration and Certificate of Emergency which you issued or obtained from the Governor, together with all correspondence between your office and the Governor's office regarding the emergency.

As well, please provide copies of any purchase order, solicitation and correspondence with Xerox Corporation relative to the acquisition of copiers and related services for any period from September 1, 2010 to the date of this letter, October 5, 2010, together with any further Declaration or Certificate of Emergency and correspondence related thereto for any period subsequent to the lapse of the "September emergency".

This procurement information is public information (5 GCA § 5251), and this request is made consistent with said Procurement Act provision and under additional authority of the Guam Freedom of Information Act, also known as the Sunshine Law, 5 GCA §§ 10101 *et seq.*

"Copier(s)" as used herein means standard commercial photo copier machines or other such common document imaging device of any description, including multi-function machines that include other functionalities such as, but not limited to, faxing, scanning and printing, and further includes any incidental or related software or other computerized document management controls.

"Purchase Orders" as used herein *includes* orders for rental, lease or option to purchase, as well as purchase, and orders incident to any method of source selection (including without limitation, sole source, emergency, small purchase and competitive sealed bidding), contract, or other procurement or other sources, including Federal Supply Schedule contractors. If any such Purchase Order arises from any formal method of source selection, please provide, in addition, all relevant IFB, RFQ or other relevant documentation together with published notices of same.

"Issued" *includes* delivery, in electronic or hard-copy form, to any contractor or vendor or to any Agency.

"Correspondence" *includes* any formal or informal communication, whether hardcopy or electronically transmitted, together with diary notes, logs or other records of any oral conversations.

I am happy to meet with you to discuss any logistical matters¹ or other issues

¹ Each agency, upon a request for a copy of public records shall, within four (4) working days from receipt of the request, comply with the request if the records requested are disclosable

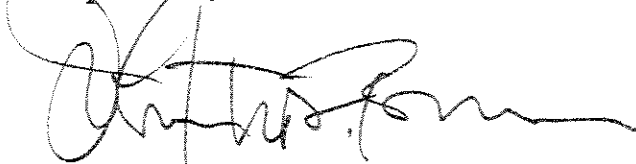
relative to this request, and I am prepared to pay the reasonable charges allowed by law for your assistance and response to this request.

Additionally, I remind you of the outstanding Request for Information I submitted to you of date September 3, 2010. After reading news reports of correspondence with you or your office from the Governor's office, I requested, indeed reiterated a prior request, that you provided me with copy of the correspondence.

Finally, I remind you that on September 2, 2010, I submitted a protest to you regarding IFB # 006-2010. There has been no decision on that protest.

I hope to hear from you promptly and substantively regarding these matters.

Respectfully submitted,



John Thos. Brown

public records in the possession of the agency.

In unusual circumstances, the time limit prescribed in this Section may be extended up to ten (10) days, including Saturdays, Sundays and legal holidays, by written notice by the director of the agency or the director's designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be dispatched. As used in this Section, *unusual circumstances* means: (1) the need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request; or (2) the need to search for, collect and appropriately examine more than ten (10) separate and distinct records which are demanded in a single request, or records that in total, are contained in five hundred (500) or more pages, or contain about two hundred fifty thousand (250,000) words, whichever is more. (5 GCA § 10103(d) and (e).)

EXHIBIT

13. Letter from Xerox General Manager to DOE (Pinaula), June 17, 2010

June 17, 2010

Edith A. Pinaula
Office of Supply Management
Guam Department of Education
PO Box DE
Hagatna, Guam 96931

Re: Response to Request for Quotation

Dear Edith:

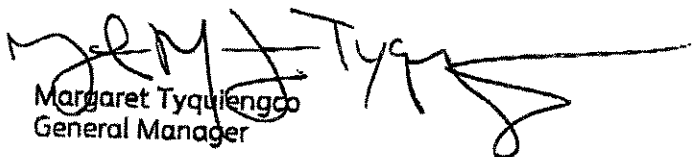
We are in receipt of your request for quotation. The requirements as indicated in your request are rather unclear, however, if it is the desire of GDOE to continue with the existing Xerox agreement for Document Management Services to include the existing in-place services and fleet of devices, the amount will be \$133,037.00 per month with a monthly black print allowance of 2,427,400 prints (black printing on black printing devices), a monthly color print allowance of 80,000 prints and a monthly black print allowance of 10,000 prints on the professional color device (Xerox DC3535). Each excess print over the black print allowance (on black printing devices) will be billed at \$.0120; each excess print over the black print allowance (on the professional color device) will be billed at \$.0143; and each excess print over the color print allowance will be billed at \$.10.

Depending upon device, these existing machines have a mix of capabilities including Network and PC Scanning, Copying, Faxing, and Scan to Email. Xerox offers a breadth of products and services to assist GDOE in its Document Management needs, and we'd be pleased to provide a proposal for replacement services and devices if desired. If this is the case, please provide us with more detailed equipment requirements including number of each type of machine, machine speed (black and color), specific machine capabilities (copy, print, fax, scan including type of scanning), number of paper trays, sizes and weights of paper and paper capacity, Network compatibility, stapling, hole punching, booklet folding capabilities, software applications desired including workflow, security requirements, usage and performance reporting requirements, training and support needs, etc.

The last GDOE Purchase Order we received covered Document Management Services for the month of May. We are currently in the month of June and require a Purchase Order to cover the current month. Can you please either provide a Purchase Order or a letter stating you are intending on issuing a PO to cover the services being rendered and that a PO is forthcoming? Absent a PO or the intent letter, Xerox will have no choice but to stop services and supplies being provided.

Should you wish to discuss this matter, please call me directly at 477-9456 or Mike Salas at 477-1907.

Sincerely,


Margaret Tyquiengco
General Manager

137 Murray Blvd, Ste 101
Hagatna, Guam 96910

Tel 671-477-1907
Fax 671-472-3844

XEROX CONFIDENTIAL

EXHIBIT

14. Letter from Xerox General Manager to DOE (Mafnas), June 23, 2010



MEG TYQUIENGO
General Manager
Xerox Guam

Xerox Corporation
137 Murray Blvd., Suite 101
Hagatna, Guam 96910

Tel 671.477.9456
Fax 671.472.3844

PROCUREMENT SECTION
2010

JUN 23 2010

DEPARTMENT OF EDUCATION

TIME: 5:00 PM

June 23, 2010

Mr. Brian C. Mafnas
Office of Supply Management Administrator
Guam Department of Education
PO Box DE
Hagatna, Guam 96931

Ref: Follow up on Purchase Order for June 2010 and Future Equipment Intentions

Dear Brian:

There are seven (7) days remaining in the month of June and we have yet to receive a Purchase Order covering the Document Management Services ~~for this month~~. We understand that it is your full intention to continue the contract for the month of June and are working through the process to get us a Purchase Order to us by the end of this week. In the interim, we'd like to request for our files a letter of intent to continue the contract pending issuance of the Purchase Order.

Also, we have several questions regarding your future intent for the contract after June 30, 2010.

- 1.) The recent bid for small multifunction copier machines (IFB #006-2010) would allow small standalone multifunction devices to proliferate throughout GDOE.
 - a. Are these units meant to replace, machines currently provided under the Document Management Services contract and if so, which specific ones and when?
 - b. How do you intend on managing these units since supplies are not included in the maintenance/warranty plan and what specifically are your contractual expectations with "warranty" coverage? Because these units do not have supplies included and are not part of any fleet management plan, it is very likely that GDOE will have runaway supplies costs not figured in to the bid cost analysis. And with regard to warranty, the bid was not clear on describing "warranty" and how the proposed units will be maintained or supported. For example, will the awarded vendor be responsible for installing warrantable parts or will end users be required to do it? Can warrantable parts be replaced with Non-OEM parts? How long would GDOE provide the awarded vendor to bring in parts from off-island? What parts stocking levels does the vendor maintain to assure minimum downtime of the fleet of machines? Will the machines have a replacement guarantee for the warranty period? Etc.



c. How do you intend on evaluating IBSS's proposal for a HP M3035x multifunction copier since it does NOT have the ability to set up individual user accounts, track copying, printing, scanning, and/or faxing and generate usage reports per user as is required in the bid specs? (The INABILITY of the HP M3035x to do this has been confirmed by HP Support and another locally authorized HP reseller.)

2.) When do you intend on issuing a bid for the larger equipment and when do you expect it to be awarded?

3.) When will you be issuing a purchase order for Document Management Services covering the next couple of months since it will likely take this long for the bid process to run its course?

Should you have any questions about the Document Management Services contract, or questions, or Xerox' position on the HP M3035x meeting the bid specs, please don't hesitate to call me or Mike Salas at 477-9456.

Sincerely,


Margaret Tyquiengco
General Manager

MT/gacr

EXHIBIT

15. Letter from Xerox General Manager to DOE (Superintendent), July 30, 2010



July 30, 2010

Dr. Nerissa Underwood, *Superintendent*
Ms. Taling Taitano, *Deputy Superintendent FAS*
Brian Mafnas, *Supply Administrator*
Guam Department of Education
PO Box DE
Hagatna, Guam 96931

Re: Purchase Order for Document Management Services

Dear Dr. Underwood, Ms. Taitano and Mr. Mafnas:

Xerox is continuing to provide document management services under the GDOE/XMS Agreement that effectively expired on December 31, 2009. We understand that a bid package has been submitted to the Attorney Generals Office for review and a bid will hopefully be issued in the coming weeks. In the interim, GDOE has worked to provide Xerox monthly purchase orders to cover the services being rendered, however, we find ourselves at the end of July without a PO covering July and Augusts services.

We value GDOE greatly as a partner, however, Xerox will be hard pressed to continue services without a purchase order covering July and August. To assure continuity of services and to minimize disruption in services, we ask that you provide a letter advising Xerox that Purchase Orders are forthcoming and you authorize services to continue for the month of August. Should we not receive any communication from you by August 4, we will begin disabling equipment and scheduling pick up of Xerox devices.

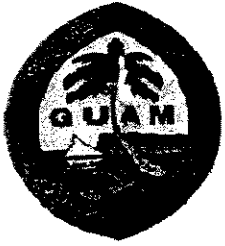
Please call me directly at 477-9456 or Mike Salas at 477-1907 should you wish to discuss the situation.

Sincerely,


Margaret Tyquengco
General Manager

EXHIBIT

16. Letter from Superintendent to Xerox General Manager, December 11, 2008



GUAM PUBLIC SCHOOL SYSTEM
OFFICE OF THE SUPERINTENDENT



P.O. Box DE

Hagåtña, Guam 96932

Telephone: (671) 475-0457 / 300-1535

Fax: (671) 472-5003

Email: nbshafer@gdoe.net

www.gdoe.net

Nerissa Bretania-Shafer, Ph.D.
Superintendent of Education

December 11, 2008

Ms. Margaret Tyquiengco
General Manager
Xerox Corporation
Hagatna, Guam

Re: **GPSS Decision**

Dear Ms. Tyquiengco:

Hafa Adai! Please be informed that GPSS will not appeal the Public Auditor's decision to terminate the existing contract in case number OPA-PA-08-011. If Xerox decides to appeal the case to the Superior Court of Guam, the agreement between Xerox and GPSS will continue as stated in 5 G.C.A. § 5425(f). On the other hand, if Xerox does not appeal the aforementioned case then GPSS proposes to work with the parties involved with the case, and to continue the agreement on a month to month basis until a new invitation for bid is completed.

Your understanding in this matter is appreciated. If you have any further questions, please feel to contact Mr. Fred Nishihira at 300-1537.

Put Respetu',

NERISSA BRETANIA-SHAFER, PH. D.
Superintendent of Education

Rec'd by
BT
GB Tennesse
12/12/08