

**REQUEST FOR PROPOSALS**

**FOR SERVICES OF**

**FUND AUDITOR**

**Issued by the  
The Somerset County Joint Insurance Fund**

**Date Issued:  
December 1, 2016**

**Responses Due by 2:00 p.m. on  
Thursday, December 15, 2016**

**REQUEST FOR PROPOSALS (RFP)  
FOR FUND AUDITOR**

**I. PURPOSE AND INTENT**

Through this Request for Proposals (RFP), the Somerset County Joint Insurance Fund (hereinafter the "Fund") seeks to engage a professional service entity to serve as its Fund Auditor for the 2017 fund year commencing January 1, 2017 or upon appointment, whichever is later. The contracts will be awarded through a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et seq.

**II. ADMINISTRATIVE CONDITIONS AND REQUIREMENTS**

The following items express the administrative conditions and requirements of this RFP. Together with the other RFP sections, they will apply to the RFP process, the subsequent contract, and project production. Any proposed change, modification, or exception to these conditions and requirements may be the basis for the Fund to determine the proposal as non-responsive to the RFP and will be a factor in the determination of an award of a contract. The contents of the proposal of the successful respondent, as accepted by the Fund, will become part of any contract awarded as a result of this RFP.

**III. PROPOSAL SUBMISSION**

Submit one original copy, clearly marked as the "ORIGINAL" plus five (5) full, complete and exact paper copies. The proposal must be addressed to:

Somerset County Joint Insurance Fund  
20 West End Avenue  
P.O. Box 367  
Somerville, New Jersey 08876

The proposal must be clearly marked on the outside envelope and received by Thursday, December 15, 2016 at 2:00 p.m.

**Faxed or E-Mailed proposals will NOT be accepted.**

**Any inquiry concerning this RFP should be directed in writing to:**

New Jersey Risk Managers & Consultants, Inc.  
Fund Administrator  
Somerset County Joint Insurance Fund  
20 West End Avenue  
P.O. Box 367  
Somerville, New Jersey 08876  
Or Email: [mjhydro@njrm.com](mailto:mjhydro@njrm.com)

Only those RFP responses received prior to or on the submission date will be considered. Responses delivered before the submission date and time specified above may be withdrawn upon written application of the respondent who shall be required to produce evidence showing that the individual is or represents the principal or principals involved in the proposal. After the submission date and time specified above, responses must remain firm.

All documents/information submitted in response to this solicitation shall be available to the general public as required by the New Jersey Open Public Records Act N.J.S.A. 47:1A-1 et seq. The Fund will not be responsible for any costs associated with the oral or written and/or presentation of the proposals. The Fund reserves the right to reject any and all proposals, with or without cause, and waive any irregularities or informalities in the proposals. The Fund further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all professional service entities submitting proposals. In the event that all proposals are rejected, the Fund reserves the right to re-solicit proposals.

#### **IV. STATUTORY AND OTHER REQUIREMENTS**

##### **A. Compliance with Laws**

Any contract entered into between a professional service entity and the Fund must be in accordance with and subject to compliance by both parties with the New Jersey Local Public Contracts Law. The professional service entity must agree to comply with the non-discrimination provisions and all other laws and regulations applicable to the performance of services there under. The respondent shall sign and acknowledge such forms and certificates as may be required by this section.

##### **B. Mandatory Affirmative Action Compliance**

No firm may be issued a contract unless it complies with the Affirmative Action requirements of P. L. 1975, C. 127 as identified in the documents attached hereto. The form shall be properly executed.

##### **C. Stockholder Disclosure**

No corporation or partnership shall be awarded any contract for the performance of any work or the furnishing of any goods, unless, with receipt of the proposal of said corporation or partnership, there is submitted a statement setting forth the names and addresses of all stockholders in the corporation or partnership who own ten (10) percent or greater interest therein. The Respondent shall complete and submit the form of statement that is included in this RFP.

##### **D. Non-Collusion Affidavit**

The Non-Collusion Affidavit, which is part of this RFP, shall be properly executed and submitted with the RFP response.

**E. N.J. Business Registration Certificate**

Certificate required pursuant to C57, PL2004; failure to include mandates rejection.

**V. GENERAL INFORMATION ON THE FUNCTIONS OF THE FUND**

The Fund is organized pursuant to N.J.S.A. 40A:10-36 to provide property/casualty insurance to its member local units. The Fund also provides its members with a comprehensive risk control and claims management program. The Fund is controlled by a Board of Fund Commissioners that annually elects an Executive Committee. The Fund is regulated by the New Jersey Department of Banking and Insurance and the Department of Community Affairs.

**VI. MINIMUM PROPOSAL**

The following minimum threshold requirements that will be utilized in the solicitation of persons and/or firms to be considered are:

1. Be registered as a municipal accountant in the State of New Jersey;
2. Have seven (7) years experience serving as an auditor to a property and casualty joint insurance fund(s);
3. Has demonstrated knowledge and experience in conducting annual audits of the financial statements of joint insurance funds;
4. Has demonstrated knowledge and experience in conducting reviews of joint insurance funds' internal accounting systems;
5. Has demonstrated knowledge of financial matters pertaining to joint insurance funds, including budgets, assessments and accounting; and
6. Has demonstrated knowledge and experience in finance and operation of local government units in New Jersey, including counties.

**VII. SCOPE OF SERVICES**

To provide the following services:

- A. Perform all of the duties of Auditor for the Fund as the same are set forth in the By-Laws, Risk Management Plan, applicable statutes, regulations and policies adopted by the Executive Committee;
- B. Provide an annual audit of the financial statements of the Fund;
- C. Submit to the Fund Commissioners and/or Executive Committee a management letter containing other recommendations, comments and suggestions concerning internal control and accounting procedures deemed necessary;

D. Review and test the Fund's system of internal accounting control to provide assurance that the Fund's assets are safeguarded against loss from unauthorized use or disposition;

E. Attend, through its designated representative, such meetings of the Fund Commissioners and/or Executive Committee as may be requested by the Fund Commissioners and/or Executive Committee and Executive Director; and

F. Perform such other duties as may be determined by the Fund Commissioners and/or Executive Committee.

### **VIII. MANDATORY CONTENTS OF PROPOSAL**

In its proposal, the firm must include the following:

- 1) Contact Information: Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of the individual responsible for the preparation of the proposal.
- 2) A fee proposal for the 2017 Fund year.
- 3) An executive summary of not more than three pages identifying and substantiating why the professional service entity is best qualified to provide the requested services.
- 4) A staffing plan listing those persons who will be assigned to the engagement if the professional service entity is selected, including the designation of the person who would be the professional service entity's officer responsible for all services required under the engagement. This portion of the proposal should include the relevant resume information for the individuals who will be assigned. This information should include, at a minimum, a description of the person's relevant professional experience, years and type of experience, and number of years with the professional service entity. Also include a copy of the data forms required by the Department of Banking and Insurance pursuant to N.J.A.C. 11:15 – 2.6 (c) 8.
- 5) A description of the professional service entity's experience in performing services of the type described in this RFP. Specifically identify client size and specific examples of similarities with the scope of services required under this RFP.
- 6) A description of resources of the professional service entity (i.e., background, location, experience, staff resources, financial resources, other resources, etc.).
- 7) The location of the office, if other than the professional service entity's main office, at which the professional service entity proposes to perform services required under this RFP. Describe your presence in New Jersey.
- 8) Provide references including the contact names, titles and phone numbers.
- 9) In its proposal, the professional service entity must identify any existing or potential conflicts of interest, and disclose any representation of parties or other relationships that might be considered a conflict of interest with regard to this engagement, or the Fund.

## **IX. INTERVIEW**

The Fund reserves the right to interview any or all of the applicants submitting a proposal. Although interviews may take place, the proposal should be comprehensive and complete on its face. The Fund reserves the right to request clarifying information subsequent to submission of the proposal.

## **X. SELECTION PROCESS**

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. For professional service entities that satisfy the minimum requirements, the Fund will evaluate proposals based on the following evaluation criteria, separate or combined in some manner, and not necessarily listed in order of significance:

- (a) The professional service entity's general approach to providing the services required under this RFP.
- (b) The professional service entity's documented experience in successfully completing contracts of a similar size and scope to the engagement addressed by this RFP
- (c) The qualifications and experience of the professional service entity's management, supervisory or other key personnel assigned to the engagement, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the services required by this RFP.
- (d) The overall ability of the professional service entity to mobilize, undertake and successfully complete the engagement within the timeline. This criterion will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the professional service entity to perform the services required by this RFP; the availability and commitment to the engagement of the professional service entity's management, supervisory and other staff proposed; the professional service entity's contract management plan, including the professional service entity's contract organizational chart.

## **XI. SELECTION CRITERIA AND CONTRACT**

The Fund will select the professional service entity(s) deemed most advantageous to the Fund, price and other factors considered. The contract between the Fund and the selected professional service entity(s) shall be comprised of the contract, this RFP, any clarifications or addenda thereto, the selected professional service entity's proposal, and any changes negotiated by the parties.

**MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE**  
**N.J.S.A 10:5-31 et seq., N.J.A.C. 17:27**

**GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation gender identity or expression, disability, nationality or sex. Such action shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or worker's representative of the contractor's commitment under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to **N.J.S.A. 10:5-31 et seq.** as amended and supplemented from the time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet target county employment goals established in accordance with **N.J.A.C 17:27-5.2**, or Good faith efforts to meet targeted county employment goals determined by the Division, pursuant to **N.J.A.C. 17:27-5.2**.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms with the principles of job-related testing, as established by the statutes and court decision of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the applicable employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

- Letter of Federal Affirmative Action Plan Approval
- Certificate of Employee Information Report
- Employee Information Report Form AA302

The contractor and its subcontractor shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office from time to time in order to carry out the purpose of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C.17:27.**



**REQUIRED EVIDENCE**  
**AFFIRMATIVE ACTION REGULATIONS P.L. 1975, c. 127 (N.J.A.C. 17:27)**

If awarded a contract, all professional service entities will be required to comply with the requirements of P.L. 1975, c. 127, (N.J.A.C. 17:27). Within seven (7) days after receipt of the notification of intent to award the contract or receipt of the contract, whichever is sooner, the professional service entity should present one of the following to the Fund Administrator:

1. A letter from the U.S. Department of Labor that the professional service entity has an existing federally-approved or sanctioned Affirmative Action Program.  
**OR**
2. A Certificate of Employee Information Report Approval.  
**OR**
3. An Affirmative Action Employee Information Report (Form A.A. 302)  
**OR**
4. All successful professional service entities must submit at signing of the contract an Initial Project Manning Report (AA201) for any contract award that meets or exceeds the Public Agency bidding threshold (available upon request). **NO FIRM MAY BE ISSUED A CONTRACT UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS OF P.L. 1975, c. 127**

**The following questions must be answered by all bidders:**

1. Do you have a federally-approved or sanctioned Affirmative Action Program?

YES \_\_\_\_\_ NO \_\_\_\_\_

If yes, please submit a copy of such approval.

2. Do you have a State Certificate of Employee Information Report Approval?

YES \_\_\_\_\_ NO \_\_\_\_\_

If yes, please submit a copy of such certificate.

THE UNDERSIGNED PROFESSIONAL SERVICE ENTITY CERTIFIES THAT HE IS AWARE OF THE COMMITMENT TO COMPLY WITH THE REQUIREMENTS OF P.L. 1975, c. 127 AND AGREES TO FURNISH THE REQUIRED DOCUMENTATION PURSUANT TO THE LAW.

\_\_\_\_\_  
COMPANY

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE

**NOTE:** A PROFESSIONAL SERVICE ENTITY  MUST BE REJECTED AS NON-RESPONSIVE IF A PROFESSIONAL SERVICE ENTITY FAILS TO COMPLY WITH REQUIREMENTS OF P.L. 1975, c. 127, WITHIN THE TIME FRAME.

**NON COLLUSION AFFIDAVIT**

STATE OF NEW JERSEY  
COUNTY OF

ss:

I, \_\_\_\_\_ of the City of \_\_\_\_\_  
in the County of \_\_\_\_\_ and the State of \_\_\_\_\_  
of full age, being duly sworn according to law on my oath depose and say that:

I am \_\_\_\_\_ of the firm of \_\_\_\_\_ the bidder making the Proposal for the above named project, and that I executed the said proposal with full authority so to do; that said bidder has not, directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the County of Somerset relies upon the truth of the statements contained in said Proposal and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by \_\_\_\_\_

(name of professional service entity)

(N.J.S.A. 52:34-25)

Subscribed and sworn to  
before me this \_\_\_\_\_ day  
of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Also type or print name of affiant under signature)

\_\_\_\_\_  
Notary public of

My Commission expires \_\_\_\_\_.

**STOCKHOLDER DISCLOSURE CERTIFICATION**

N.J.S.A. 52:25-24.2 (P.L. 1977 c 33)

Failure of the bidder/respondent to submit the required information is cause for automatic rejection.

**CHECK ONE:**

- I certify that the list below contains the names and addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.
- I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

**LEGAL NAME OF BIDDER:** \_\_\_\_\_

**Check which business entity applies:**

- Limited Partnership     Subchapter S Corporation     Limited Liability Corporation
- Partnership     Corporation     Sole Proprietorship
- Limited Liability Partnership     Other \_\_\_\_\_

**Complete if the respondent is one of the 3 types of Corporations:**

Date Incorporated: \_\_\_\_\_ Where Incorporated: \_\_\_\_\_

**BUSINESS ADDRESS:**

Street Address	/	City	State	Zip
Telephone #		Fax#		

**Listed below are the names and addresses of all stockholders, partners or individuals who own ten (10) percent or more of its stock of any classes, or who own ten (10) percent or greater interest therein.**

Name	Address
Name	Address

CONTINUE ON ADDITIONAL SHEET IF NECESSARY: YES  NO

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name & Title \_\_\_\_\_

## BUSINESS REGISTRATION CERTIFICATE

### **Goods and Services Contracts (including purchase orders)**

N.J.S.A. 52:32-44 imposes the following requirements on professional service entities and all sub professional service entities that **knowingly** provide goods or perform services for a contractor fulfilling this contract:

- 1) the contractor shall provide written notice to its subcontractors and suppliers to submit proof of business registration to the contractor;
- 2) subcontractors through all tiers of a project must provide written notice to their subcontractors and suppliers to submit proof of business registration and subcontractors shall collect such proofs of business registration and maintain them on file;
- 3) prior to receipt of final payment from a contracting agency, a contractor must submit to the contracting agency an accurate list of all subcontractors and suppliers\* or attest that none was used; and,
- 4) during the term of this contract, the contractor and its affiliates shall collect and remit, and shall notify all subcontractors and their affiliates that they must collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into this State.

A contractor, subcontractor or supplier who fails to provide proof of business registration or provides false business registration information shall be liable to a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration not properly provided or maintained under a contract with a contracting agency. Further information on the law may be obtained by visiting the State's website: [www.nj.gov/treasury/revenue/busregcert.htm](http://www.nj.gov/treasury/revenue/busregcert.htm).

**DATA FORM**

(Print or Type)

Name and Address of Administrator or Servicing Organization

In connection with the above-named company, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any questions fully.) IF ANSWER IS "NONE" OR "NO EXCEPTION", SO STATE.

1. Affiant's Full Name: \_\_\_\_\_
2. Other Names Used at any Time: \_\_\_\_\_
3. Date of Birth: \_\_\_\_\_ Place of Birth: \_\_\_\_\_
4. Social Security Number: \_\_\_\_\_
5. For the last 10 years, I have lived at the following address or addresses:

<b><u>ADDRESS</u></b>	<b><u>CITY</u></b>	<b><u>DATES</u></b>
_____		
_____		
_____		

6. Schooling : College: \_\_\_\_\_  
Graduate: \_\_\_\_\_  
or Professional: \_\_\_\_\_  
Degree (List): \_\_\_\_\_

(ATTACH LIST OF ALL EDUCATIONAL INSTITUTIONS AND LOCATION-CITY AND STATE)

7. Member of Professional Societies or Associations (List):  
\_\_\_\_\_  
\_\_\_\_\_

8. I presently hold or have held, in the past, the following professional, occupational, and vocational licenses issued by public or governmental licensing agencies or authorities (state date license issued, issuer of license, date terminated, reason for termination):

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9. Present Chief Occupation:

Position or Title: \_\_\_\_\_

Employer's Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

How long in this Position? \_\_\_\_\_

How long with this employer? \_\_\_\_\_

10. Other jobs, positions, directorates or officerships concurrently held at present:

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11. Complete Employment Record for Past 20 Years:

<u>DATES</u>	<u>EMPLOYER AND ADDRESS</u>	<u>TITLE</u>
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12. I control directly or indirectly own legally or beneficially 10% or more of the outstanding capital stock (in voting power) of the following companies:

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12a. If any of the above stock is pledged or hypothecated in any way, please detail fully:

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13. I have never been adjudicated as bankrupt, except as follows:

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14. I have never been convicted or had a sentence imposed or suspended, or had pronouncement of a sentence suspended, or been pardoned for conviction of, or pleaded guilty of or nol contendere to an information or an indictment charging felony for embezzlement, theft or larceny, mail fraud, or violating any corporate securities statute or any insurance law, nor have I been the subject of a cease and desist order or consent order of any federal or state regulatory agency, except as follows: \_\_\_\_\_

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15. During the last 10 years, I have neither been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, nor has such a license held by me ever been suspended or revoked, except as follows:

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16. I have never been an officer, director, key employee or controlling stockholder of a company which, while I occupied any such position or capacity with respect to it, became insolvent or was enjoined from or ordered to cease and desist from violating any law, except as follows: \_\_\_\_\_

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17. Neither I nor any company of which I was an officer, director or key management person at the time has ever been subject to any civil action alleging fraud, negligence or violation of any applicable racketeering statutes (state or federal), except as follows:

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18. I am not and none of the employees, officers or directors of \_\_\_\_\_ have a direct or indirect financial interest in any other administrator, program manager, servicing organization or insurance producer of the Fund, except as follows:

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- 18a. Any direct or indirect financial interest or any position held as employee, officer or director in any other administrator, program manager servicing organization, or insurance producer of the Fund, as described above, has been disclosed to the Fund commissioners or executive committee, as applicable. (Yes/No)
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Dated and signed this \_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.  
I hereby certify under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge and belief and further, by the affixation of my signature hereon, I hereby give my certified consent to the New Jersey Department of Banking and Insurance to verify the representations and information supplied in response to all questions on the biographical data form, with and Federal, State, municipal or other agency which may have knowledge and/or information thereon.

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(Signature of Affiant)