

CONTRACT WITH TITLE GUARANTY

PART 2

301227



Title Guaranty of Hawaii, Inc.

235 QUEEN STREET, HONOLULU, HI 96813 • P.O. BOX 3084, HONOLULU, HI 96802
TELEPHONE: (808) 533-6261

May 25, 2001

Mr. Mason Young
State of Hawaii Department of Land and Natural Resources
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, HI 96813

RECEIVED
MAY 25 5 29 PM '01
DAGS
ICS DIVISION

Dear Mason:

This is a follow up to our last meeting on February 14, 2001. Your assistance would be appreciated in providing an updated status of the Bureau of Conveyance (BOC) project and whether a determination has been made regarding moving forward with acquisition of recorded documents images and indexes from Title Guaranty of Hawaii (TG).

At the February 14, 2001 meeting, you had stated that TG should delay further actions on the project pending BOC consultations to determine next steps. Accordingly, TG ceased its efforts related to building required processes and systems for transferring recorded documents and indexes to the BOC in compliance with its BOC contract.

For your information, TG did continue with its quality review activities to confirm that recorded document images selected for transfer to BOC would meet TG and BOC quality acceptance levels. At this time, TG has substantially completed the quality review of these document images. We had a significant number of image batches waiting to be transferred to the BOC systems last February and we have continued to prepare additional batches over the past 3 months. We are ready to proceed with the transfer of images to the BOC.

We understand the BOC has internal technical issues that need to be resolved before importing the recorded document images and accompanying indexes into the new BOC information systems. We remain committed to working collaboratively with the BOC to resolve these issues.

Assuming TG is instructed to proceed, we would like to resolve any technical details regarding the transmission of document images from TG to the new BOC system. Since there are still several technical items that must be resolved prior to delivering images, we would like to contact Nani Lindsey to coordinate the image transmission plan. We will follow up on these items as soon as we receive your confirmation to proceed.

Your consideration in providing an updated project status and proposed next steps would be most appreciated.

Yours very truly,

Michael Pietsch
President

cc Mr. Carl Watanabe
Ms. Barbara Tom
Mr. Gilbert S. Coloma-Agaran

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Title Guaranty of Hawaii, Inc.

P.O. BOX 3084 • HONOLULU • HAWAII 96802

HAND DELIVER



Ms. Barbara Tom, DP Systems Mgr.
Information & Communication Services Division
State of Hawaii - Department of Budget & Finance
Kalanimoku Building, Room B-10
1151 Punchbowl Street
Honolulu, HI 96813

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STATE OF HAWAII
SUPPLEMENTAL AGREEMENT NO. 1
TO AGREEMENT ICS-FY-99-52
(Insert Agreement Number or Other Identifying Information)

This Supplemental Agreement No. 1, executed on the respective dates indicated below, is effective as of June 29 ~~XIX~~ 2000 between the _____

Department of Accounting and General Services, State of Hawaii
(Insert Name of State Department, Agency, Board or Commission)
(hereinafter "STATE"), by its Comptroller
(Insert Title of State Officer Executing Agreement)
whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813

_____, and
Title Guaranty of Hawaii, Inc. (hereinafter "CONTRACTOR"),

a corporation
(Insert "Corporation", "Partnership", "Joint Venture", "Sole Proprietorship", or other legal form of the Contractor)

under the laws of the State of Hawaii, whose business address and taxpayer identification number are as follows: 235 Queen Street, Honolulu, Hawaii 96813;

Taxpayer id: 10005663

RECITALS

A. WHEREAS, the STATE and the CONTRACTOR entered into an Agreement ICS-FY-99-52 for Services to Develop and Implement a Replacement Land Court and
(Insert Agreement Number or other Identifying Information)
Regular Automated Tracking System for the State of Hawaii

dated January 18 ~~XIX~~ 2000 which was amended by Supplemental Agreement No(s). _____, dated _____ (hereinafter collectively

referred to as "Agreement") whereby the CONTRACTOR agreed to provide the goods and services described in the Agreement, and

B. WHEREAS, the parties now desire to amend the Agreement.

BENJAMIN J. CAYETANO
GOVERNOR



RAYMOND H. SATO
COMPTROLLER

MARY PATRICIA WATERHOUSE
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

December 27, 2000

Mr. Michael Pietsch, President
Title Guaranty of Hawaii, Inc.
235 Queen Street
Honolulu, Hawaii 96813

Dear Mr. Pietsch:

SUBJECT: ICS-FY-99-52
Services to Develop and Implement a Replacement Land Court
and Regular Automated Tracking System for the State of Hawaii

Enclosed is a fully executed copy of Supplemental Agreement No 1 to ICS-FY-99-52,
Part 2 for your file.

If you have any questions on this matter, please call Ms. Barbara Tom at
(808) 586-1920.

Sincerely,

Lester M. Nakamura
Administrator

Enclosures

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NOW, THEREFORE, the STATE, and the CONTRACTOR mutually agree

to amend the Agreement as follows:

(CHECK APPLICABLE BOX(ES))

- Amend the SCOPE OF SERVICES according to the terms set forth in Attachment S1, which is attached hereto and is incorporated herein.
- Amend the TIME OF PERFORMANCE according to the terms set forth in Attachment S2, which is attached hereto and is incorporated herein.
- Amend the COMPENSATION AND PAYMENT SCHEDULE according to the terms set forth in Attachment S3, which is attached hereto and is incorporated herein.
- Amend the SPECIAL CONDITIONS according to the terms set forth in the Supplemental Special Conditions, which is attached hereto and incorporated herein.
- Recognize the CONTRACTOR's change of name.

FROM: _____

TO: _____

As set forth in the documents attached hereto as Exhibit _____, and incorporated herein.

A tax clearance certificate from the State of Hawaii is is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Agreement.

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AG-Supp (4/99)

A tax clearance certificate from the Internal Revenue Service is is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Agreement.

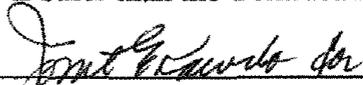
Unless amended herein, the Agreement shall remain in full force and effect.

IN VIEW OF THE ABOVE, the STATE and the CONTRACTOR execute this Supplemental Agreement No. 1 by their signatures on the dates below.

STATE:

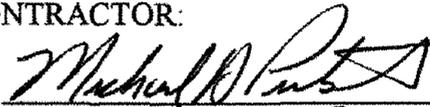
By 
Print Name Raymond H. Sato
Title Comptroller
Date 12/21/00

FUNDING AGENCY: (to be signed by head of funding agency if other than the Contracting Agency)

By 
Print Name Timothy E. Johns
Title Chair, Dept. of Land & Natural Resources
Date _____

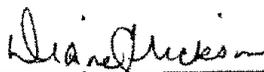
(Affix Corporate Seal)

CONTRACTOR:

By 
Print Name Michael A Pietsch
Title President /CEO *
Date 11/16/00

*Evidence of authority of the Contractor's representative to sign this Supplemental Agreement must be attached.

APPROVED AS TO FORM:


Deputy Attorney General

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CONTRACTOR'S ACKNOWLEDGMENT

State of Hawaii)
City and County of Honolulu)

SS.

On this 16th day of November, ~~19~~ 2000 before me personally appeared Michael A. Pietsch, to me personally known, who being by me duly sworn, did say that he/she is the President/CEO of Title Guaranty of Hawaii, Inc. the CONTRACTOR named in the foregoing instrument, and that he/she is authorized to sign said instrument on behalf of the CONTRACTOR, and acknowledges that he/she executed said instrument as the free act and deed of the CONTRACTOR.

LS

Hualynne Alfiche-Lowndes
Notary Public, Hualynne Alfiche-Lowndes
My Commission Expires: 7-2-2001

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STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices, the University of Hawaii, and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges.

On behalf of Title Guaranty of Hawaii, Inc., CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR is is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest.*
2. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Supplemental Agreement and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of the Supplemental Agreement, if the legislator or employee had been involved in the development or award of the Supplemental Agreement.
3. CONTRACTOR has not been assisted or represented for a fee or other compensation in the award of this Supplemental Agreement by an Agency employee or, in the case of the Legislature, by a legislator.
4. CONTRACTOR has not been represented or assisted personally on matters related to the Supplemental Agreement by a person who has been an employee of the Agency within the preceding two (2) years and who participated while in state office or employment on the matter with which the Supplemental Agreement is directly concerned.
5. CONTRACTOR has not been represented or assisted on matters related to this Supplemental Agreement, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an Agency employee, or in the case of the Legislature, a legislator.
6. CONTRACTOR has not been represented or assisted in the award of this Supplemental Agreement for a fee or other consideration by an individual who, a) within

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the past twelve (12) months, served as an Agency employee or in the case of the Legislature, a legislator, and b) participated while an employee or legislator on matters related to this Supplemental Agreement.

CONTRACTOR understands that the Supplemental Agreement to which this document is attached is voidable on behalf of the STATE if this Supplemental Agreement was entered into in violation of any provision of chapter 84, HRS, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

DATED: 11/16/00, Hawaii, 19 2000

CONTRACTOR

By Michael W. P. A.

Title President / CEO

*Reminder to Agency: If "is" is checked, the Agency is required, under section 84-15, HRS, to file with the State Ethics Commission, ten (10) days before the Supplemental Agreement is entered into, a written justification as to why the Supplemental Agreement was not required to be competitively bld.

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CERTIFICATION OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of State Departments or Agencies Pursuant to Delegation of the Director of Human Resources Development¹

Pursuant to the delegation of the authority by the Director of Human Resources Development, I certify that the services provided under this Agreement, and the person(s) providing the services under this Agreement are exempt from the civil service, pursuant to Hawaii Revised Statutes §76-16.

Raymond H. Sato
(signature)

12/21/02
(date)

Raymond H. Sato
Print Name

Comptroller
Print Title

2. By the Director of Human Resources Development, State of Hawaii²

I certify that the services provided under this Agreement, and the person(s) providing the services under this Agreement are exempt from the civil service, pursuant to Hawaii Revised Statutes §76-16().

(signature)

(date)

Print Name

Print Title, if designee of Director
of Human Resources Development

¹This part of the form may be used by all department heads and others to whom the Director of Human Resources Development has delegated authority to certify Hawaii Revised Statutes section 76-16 civil service exceptions. The specific paragraph(s) of section 76-16 upon which an exemption is based should be noted in the contract file. NOTE: Authority to certify exceptions under Hawaii Revised Statutes sections 76-16(2) and 76-16(3) has not been delegated; only the Director of Human Resources Development may certify sections 76-16(2) and 76-16(3) exceptions.

²This part of the form may be used only by the Director of Human Resources Development or the Director's designee. See NOTE at footnote 1.

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TIME OF PERFORMANCE

Pursuant to the Request For Proposals, Special Provisions, TERM OF CONTRACT, the Agreement is extended to September 21, 2001.

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COMPENSATION AND PAYMENT SCHEDULE

Pursuant to the SCOPE OF SERVICES of the Original Agreement, the State agrees to pay the Contractor an amount not to exceed TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00) for Part 2, for a total compensation of FOUR HUNDRED AND 00/100 DOLLARS (\$400,000.00).

WRITTEN CONSENT OF DIRECTORS IN LIEU OF
MEETING OF THE BOARD OF DIRECTORS OF
TITLE GUARANTY OF HAWAII, INC. ("CORPORATION")

The undersigned, being all of the directors of the Corporation, do hereby adopt the following resolutions effective July 11, 2000, by written consent in lieu of meeting, pursuant to and in exercise of the powers granted in Section 415-44, Hawaii Revised Statutes, as amended:

WHEREAS the County of Hawaii, Department of Finance has accepted the Request For Proposal No. 1893: Price Agreement For Furnishing Title Search Services and Title Insurance For The Real Property Tax Division, Department of Finance and Other Agencies, County of Hawaii ("Request For Proposal"); and

WHEREAS the directors of the Corporation upon due and full consideration of the Request For Proposal agree that it is in the best interests of the Corporation to execute and deliver the Request For Proposal dated June 29, 2000;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the following officers of the Corporation be and hereby are, authorized to execute and deliver the Request For Proposal and any and all supportive materials and documents in furtherance thereof, and to affix the seal of the Corporation, if any, to such documents as may be required:

<u>Name</u>	<u>Title</u>
MICHAEL PIETSCH	President
NEIL SAKAMOTO	Vice President
ELVA FURUYA	Senior Title Officer

RESOLVED, FURTHER, that the foregoing resolutions shall constitute continuing authorities to said designated persons to act on behalf of the Corporation as aforesaid, and the several powers and authorities granted in the foregoing resolutions shall continue until revoked by the Corporation and formal written notice of such revocation shall have been given to the County of Hawaii.

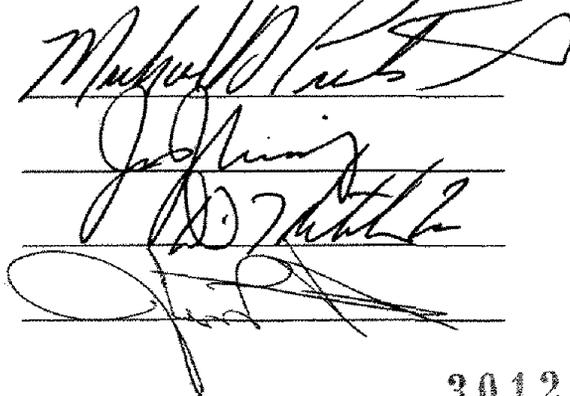
IN WITNESS WHEREOF, the undersigned have executed this Written Consent as of the effective date above mentioned.

Dated: July 11, 2000

Dated: July 11, 2000

Dated: July 11, 2000

Dated: July 11, 2000



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