



Amendment No. 1
to
Contract No. GC170000014
for
Maintenance, Repair and Operations (MRO) Supplies and Related Services
between
Eagle Pride Supply, LLC
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be March 29, 2018 through March 28, 2019. One option will remain.
- 2.0 The total contract amount is increased by \$50,000.00 by this extension period. The total contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 09/29/2017 – 03/28/2018	\$50,000.00	\$50,000.00
Amendment No. 1: Option 1 – Extension 03/29/2018 – 03/28/2019	\$50,000.00	\$100,000.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 The City of Austin contract is associated with The Cooperative Purchasing Network (TCPN) contract TCPN #R142101. The effective TCPN term is April 1st, 2015 through March 31, 2019.
- 5.0 By signing this Amendment the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 6.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date: Patrick Myers 12/11/2017

Printed Name: Patrick Myers
Authorized Representative

Eagle Pride Supply, LLC
13900 IH-35, Suite D1
Austin, Texas 78727
(512) 813-0634
pmyers@eaglepridesupply.com

Sign/Date: Mike Zambrano, Jr. 5.12.2018

Mike Zambrano, Jr.
Contract Management Specialist III
City of Austin
Purchasing Office
124 W. 8th Street, Ste. 310
Austin, Texas 78701

**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)
AND
Eagle Pride Supply, LLC. (“Contractor”)
for
Maintenance, Repair and Operations (MRO) Supplies and Related Services
MA 7400-GC170000014**

This Contract is between Eagle Pride Supply, LLC having offices at 13900 IH35 Ste#D1 Austin, TX 78727 and the City, a home-rule municipality incorporated by the State of Texas, and is effective on September 20, 2017. Solicitation requirements are met by using The Cooperative Purchasing Network (TCPN) Contract No. R142101.

1.1 This Contract is composed of the following documents:

- 1.1.1 Exhibit A, The Cooperative Purchasing Network (TCPN) Contract No. R142101
- 1.1.2 This Contract
- 1.1.3 Exhibit B, Supplemental Purchase Provisions (Section 0400)
- 1.1.4 Exhibit C, Eagle Pride/Fastenal Reseller Distribution Agreement and Sub-Agreement
- 1.1.5 Exhibit D, the City’s Non-Discrimination Certification
- 1.1.6 Exhibit E, the City’s Non-Suspension & Debarment Certification
- 1.1.7 Exhibit F, the City’s Standard Purchase Terms and Conditions (Section 0300)

1.2 Order of Precedence. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 Exhibit A as referenced in Section 1.1.1
- 1.2.2 This Contract
- 1.2.3 Exhibit B as referenced in Section 1.1.3
- 1.2.4 Exhibit C as referenced in Section 1.1.4
- 1.2.5 Exhibit D as referenced in Section 1.1.5
- 1.2.6 Exhibit E as referenced in Section 1.1.6
- 1.2.7 Exhibit F as referenced in Section 1.1.7

1.3 Designation of Key Personnel. The Contractor’s Contract Manager shall be Patrick Myers; Phone: (512) 813-0634; Email: pmyers@eaglepridesupply.com. The City’s Contract Manager shall be Claudia Rodriquez; Phone: 512-974-2959; Email: ClaudiaR.Rodriquez@austintexas.gov.

1.4 Quantity. There is no guaranteed quantity of goods for the period of the Contract. Goods are ordered on an as-needed basis as specified by the City in each purchase order/online order. The Contractor shall provide next day delivery for all orders received the previous day. All orders are shipped F.O.B. Destination, with inside delivery to all departments and facility location.

1.5 Term of Contract. The Contract shall be in effect for an initial term of 6 months and may be extended thereafter for up to two, 12-month extension option(s), subject to the extension of The Cooperative Purchasing Network (TCPN) Contract No. R142101 cooperative contract (as referenced in Section 1.1.1 above), approval of the Contractor and the City Purchasing Officer or his designee.

- 1.6 **Compensation.** The Contractor shall be paid a total Not-to-Exceed amount of \$50,000 for the initial Contract term and \$50,000 for each extension option for a total amount Not-to-Exceed \$150,000.
- 1.7 **Pricing.** Pricing provided to the City shall not include any percentage markup and shall be reflective of pricing listing in the cooperative contract referenced in Exhibit A, or Section 1.1.1 of this contract.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the City has caused a duly authorized representative to execute this Contract on the date set forth below.

EAGLE PRIDE SUPPLY, LLC

CITY OF AUSTIN

Patrick Myers

Printed Name of Authorized Person

Patrick Myers

Signature

Chief Executive Officer

Title:

09/29/2017

Date:

Claudia Rodriguez

Printed Name of Authorized Person

Claudia Rodriguez

Signature

Procurement Specialist IV

Title:

09/29/2017

Date:

Exhibit A, The Cooperative Purchasing Network (TCPN) Contract No. R142101
Exhibit B, Supplemental Purchase Provisions (Section 0400)
Exhibit C, Eagle Pride/Fastenal Reseller Distribution Agreement and Sub-Agreement
Exhibit D, the City's Non-Discrimination Certification
Exhibit E, the City's Non-Suspension & Debarment Certification
Exhibit F, the City's Standard Purchase Terms and Conditions (Section 0300)

APPENDIX A

VENDOR CONTRACT AND SIGNATURE FORM

This Vendor Contract and Signature Form ("Contract") is made as of 12/08/2014, by and between Fastenal Company ("Vendor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of Maintenance, Repair and Operations (MRO) Supplies & Related Services ("the products and services").

RECITALS

WHEREAS, both parties agree and understand that the following pages will constitute the contract between the successful vendor(s) and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Vendor agrees to include, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations will be incorporated into the final contract "Vendor Contract."

WHEREAS, this contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Vendor Contract will provide that any state, county, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution (including community colleges, colleges and universities, both public and private), other government agencies or non-profit organization may purchase products and services at prices indicated in the Vendor Contract upon registering and becoming a member with TCPN; and it being further understood that Region 4 ESC shall act as the Lead Public Agency with respect to all such purchase agreements.

WHEREAS, TCPN has the administrative and legal capacity to administer purchases on behalf of Region 4 ESC under the Vendor Contract with participating public agencies and entities, as permitted by applicable law.

ARTICLE 1- GENERAL TERMS AND CONDITIONS

- 1.1 TCPN shall be afforded all of the rights, privileges and indemnifications afforded to Region 4 ESC under the Vendor Contract, and such rights, privileges and indemnifications shall accrue and apply with equal effect to TCPN, including, without limitation, Vendors obligation to provide insurance and other indemnifications to Lead Public Agency.
- 1.2 Awarded vendor shall perform all duties, responsibilities and obligations, set forth in this agreement, and required under the Vendor Contract.
- 1.3 TCPN shall perform its duties, responsibilities and obligations as administrator of purchases, set forth in this agreement, and required under the Vendor Contract.

1.4 **Purchasing procedure:**

- Purchase orders are issued by participating governmental agencies to the awarded vendor indicating on the PO “**Per TCPN Contract # R _____.**”
- Vendor delivers goods/services directly to the participating agency.
- Awarded vendor invoices the participating agency directly.
- Awarded vendor receives payment directly from the participating agency.
- Awarded vendor reports sales monthly to TCPN.

1.5 **Customer Support:** The vendor shall provide timely and accurate technical advice and sales support to Region 4 ESC staff, TCPN staff and participating agencies. The vendor shall respond to such requests within one (1) working day after receipt of the request.

ARTICLE 2- ANTICIPATED TERM OF AGREEMENT

2.1 Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew annually for an additional two (2) years if agreed to by Region 4 ESC. Region 4 ESC will notify the vendor in writing if the contract is extended. Awarded vendor shall honor all administrative fees for any sales made based under the contract whether renewed or not.

2.2 Region 4 ESC shall review the contract prior to the renewal date and notify the current awarded vendor, no less than ninety (90) days of Region 4 ESC’s intent renew the contract. Upon receipt of notice, awarded vendor must notify Region 4 ESC if it elects not to renew. Awarded vendor shall honor the administrative fee for any sales incurred throughout the life of the contract on any sales made based on a Region 4 ESC contract whether awarded a renewal or not. Region 4 ESC reserves the right to exercise each two-year extension annually.

ARTICLE 3- REPRESENTATIONS AND COVENANTS

3.1. **Scope:** This contract is based on the need to provide the economic benefits of volume purchasing and reduction in administrative costs through cooperative purchasing to schools and other members. Although contractors may restrict sales to certain public units (for example, state agencies or local government units), any contract that prohibits sales from being made to public school districts may not be considered. Sales without restriction to any Members are preferred. These types of contracts are commonly referred to as being “piggybackable”.

3.2. **Compliance:** Cooperative Purchasing Agreements between TCPN and its Members have been established under state procurement law.

3.3. **Offeror’s Promise:** Offeror agrees all prices, terms, warranties, and benefits granted by Offeror to Members through this contract are comparable to or better than the equivalent terms offered by Offeror to any present customer meeting the same qualifications or requirements.

ARTICLE 4- FORMATION OF CONTRACT

4.1. **Offeror Contract Documents:** Region 4 ESC will review proposed offeror contract documents. Vendor’s contract document shall not become part of Region 4 ESC’s contract with vendor unless and until an authorized representative of Region 4 ESC reviews and approves it.

4.2. **Form of Contract:** The form of contract for this solicitation shall be the Request for Proposal, the awarded proposal(s) and best and final offer(s), and properly issued and reviewed purchase orders referencing the requirements of the Request for Proposals. If a firm submitting an offer requires Region 4 ESC and/or Member to sign an additional agreement, a copy of the proposed agreement must be included with the proposal.

- 4.3. **Entire Agreement (Parol evidence)**: The contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 4.4. **Assignment of Contract**: No assignment of contract may be made without the prior written approval of Region 4 ESC. Purchase orders and payment can only be made to awarded vendor unless otherwise approved by Region 4 ESC. Awarded vendor is required to notify Region 4 ESC when any material change in operations is made that may adversely affect members (i.e. bankruptcy, change of ownership, merger, etc.).
- 4.5. **Novation**: If contractor sells or transfers all assets or the entire portion of the assets used to perform this contract, a successor in interest must guarantee to perform all obligations under this contract. Region 4 ESC reserves the right to accept or reject any new party. A simple change of name agreement will not change the contractual obligations of contractor.
- 4.6. **Contract Alterations**: No alterations to the terms of this contract shall be valid or binding unless authorized and signed by a Region 4 ESC staff member.
- 4.7. **Order of Precedence**: In the event of a conflict in the provisions of the contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
- Special terms and conditions
 - General terms and conditions
 - Specifications and scope of work
 - Attachments and exhibits
 - Documents referenced or included in the solicitation
- 4.8. **Supplemental Agreements**: The entity participating in the Region 4 ESC contract and awarded vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the participating entity and awarded vendor. Neither Region 4 ESC, TCPN, its agents, members and employees shall be made party to any claim for breach of such agreement.
- 4.9. **Adding authorized distributors/dealers**: Awarded vendors are prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under their contract award without notification and prior written approval from TCPN. Awarded vendors must notify TCPN each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to awarded vendor unless otherwise approved by TCPN. Pricing provided to members by added distributors or dealers must also be less than or equal to the pricing offered by the awarded contract holder, unless otherwise approved by TCPN.

ARTICLE 5- TERMINATION OF CONTRACT

- 5.1. **Cancellation for Non-Performance or Contractor Deficiency**: Region 4 ESC may terminate any contract if Members have not used the contract, or if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this contract due to failure by contractor to carry out any obligation, term or condition of the contract. Region 4 ESC may issue a written deficiency notice to contractor for acting or failing to act in any of the following:
- i. Providing material that does not meet the specifications of the contract;
 - ii. Providing work and/or material that was not awarded under the contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;
 - iv. Failing to complete required work or furnish required materials within a reasonable amount of time;

- v. Failing to make progress in performance of the contract and/or giving Region 4 ESC reason to believe that contractor will not or cannot perform the requirements of the contract; and/or
- vi. Performing work or providing services under the contract prior to receiving a Region 4 ESC reviewed purchase order for such work.

Upon receipt of a written deficiency notice, contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by contractor under the contract shall become the property of the Member on demand.

5.2 **Termination for Cause:** If, for any reason, the Vendor fails to fulfill its obligation in a timely manner, or if the vendor violates any of the covenants, agreements, or stipulations of this contract Region 4 ESC reserves the right to terminate the contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the vendor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by vendor for this solicitation may become the property of the participating agency or entity. If such event does occur then vendor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.

5.3 **Delivery/Service Failures:** Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the contract to be terminated. In the event that the participating agency or entity must purchase in an open market, contractor agrees to reimburse the participating agency or entity, within a reasonable time period, for all expenses incurred.

5.4 **Force Majeure:** If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

5.5 **Standard Cancellation:** Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order. Vendor may be requested to provide additional items not already on contract at any time.

ARTICLE 6- LICENSES

- 6.1 **Duty to keep current license:** Vendor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by vendor. Vendor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the contract. Region 4 ESC reserves the right to stop work and/or cancel the contract of any vendor whose license(s) expire, lapse, are suspended or terminated.
- 6.2 **Survival Clause:** All applicable software license agreements, warranties or service agreements that were entered into between Vendor and Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Order Fulfiller shall survive expiration or termination of the Contract.

ARTICLE 7- DELIVERY PROVISIONS

- 7.1 **Delivery:** Vendor shall deliver said materials purchased on this contract to the Member issuing a Purchase Order. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period the vendor must receive authorization from the purchasing agency for the delayed delivery. At this point the participating entity may cancel the order if estimated shipping time is not acceptable.
- 7.2 **Inspection & Acceptance:** If defective or incorrect material is delivered, purchasing agency may make the determination to return the material to the vendor at no cost to the purchasing agency. The vendor agrees to pay all shipping costs for the return shipment. Vendor shall be responsible for arranging the return of the defective or incorrect material.

ARTICLE 8- BILLING AND REPORTING

- 8.1 **Payments:** The entity using the contract will make payments directly to the awarded vendor. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 8.2 **Invoices:** The awarded vendor shall submit invoices to the participating entity clearly stating "*Per TCPN Contract*". The shipment tracking number or pertinent information for verification shall be made available upon request.
- 8.3 **Tax Exempt Status:** Since this is a national contract, knowing the tax laws in each state is the sole responsibility of the vendor.
- 8.4 **Reporting:** The awarded vendor shall electronically provide TCPN with a detailed monthly report showing the dollar volume of all sales under the contract for the previous month. Reports shall be sent via e-mail to TCPN offices at reporting@tcpn.org. Reports are due on the **fifteenth (15th)** day after the close of the previous month. It is the responsibility of the awarded vendor to collect and compile all sales under the contract from participating Members and submit one (1) report. The report shall include at least the following information listed below:
- Vendor Name
 - TCPN Contract Number
 - Reporting Period/Year
 - Entity Name
 - Entity Address (Including Street, City, State & Zip)

- Entity Purchase Order Number (Individual Purchase Order Numbers)
- Purchase Order Date
- Gross Sale Amount
- Administrative Fee (Based on Gross Sale Amount)

ARTICLE 9- PRICING

9.1 **Best price guarantee:** The awarded vendor agrees to provide pricing to Region 4 ESC and its participating entities that are the lowest pricing available and the pricing shall remain so throughout the duration of the contract. Pricing offered to Federal government buying consortiums for goods and services is exempt from this requirement. The awarded vendor, however, agrees to lower the cost of any product purchased through TCPN following a reduction in the manufacturer or publisher's direct cost.

9.2 **Price increase:** Should it become necessary or proper during the term of this contract to make any change in design or any alterations that will increase expense Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the contract, shall be paid without prior approval. All price increases must be supported by manufacture documentation, or a formal cost justification letter.

Awarded vendor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC if requested.

It is the awarded vendor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was accepted in the original contract.

9.3 **Additional Charges:** All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing.

9.4 **Price reduction and adjustment:** Price reduction may be offered at any time during contract and shall become effective upon notice of acceptance from Region 4 ESC. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all Members equally; 2) reduction is for a specific time period, normally not less than thirty (30) days; 3) original price is not exceeded after the time-limit; and 4) Region 4 ESC has approved the new prices prior to any offer of the prices to a Member. Vendor shall offer Region 4 ESC any published price reduction during the contract period.

9.5 **Prevailing Wage:** It shall be the responsibility of the Vendor to comply, when applicable, with the prevailing wage legislation in effect in the jurisdiction of the purchaser (Region 4 ESC or its Members). It shall further be the responsibility of the Vendor to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of this contract and adjust wage rates accordingly.

- **Administrative Fees:** All pricing submitted to Region 4 ESC shall include the administrative fee to be remitted to TCPN by the awarded vendor.

The awarded vendor agrees to pay administrative fees to TCPN as calculated as follows: (Sales will be calculated for fiscal year of January 1st through December 31st and reset each year)

<u>Annual Sales Through Contract</u>	<u>Administrative Fee</u>
0 - \$50,000,000	2%
\$50,000,001 - \$100,000,000	1.75%
\$100,000,001 - \$150,000,000	1.5%
\$150,000,001 - \$200,000,000	1.25%
\$200,000,001 - \$500,000,000	1%
\$500,000,001 - \$1,000,000,000	0.75%
\$1,000,000,000+	0.5%

ARTICLE 10- PRICING AUDIT

- 10.1 **Audit rights:** Vendor shall, at Vendor's sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Agreement. TCPN and Region 4 ESC each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. In the State of New Jersey, this audit right shall survive termination of this Agreement for a period of five (5) years from the date of final payment. Such records shall be made available to the New Jersey Office of the State Comptroller upon request. Region 4 ESC shall have the authority to conduct random audits of Vendor's pricing that is offered to eligible entities at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered to eligible agencies that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Vendor's pricing at Vendor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC or TCPN.

ARTICLE 11- OFFEROR PRODUCT LINE REQUIREMENTS

- 11.1 **Current products:** Proposals shall be for materials and equipment in current production and marketed to the general public and education/government agencies at the time the proposal is submitted.
- 11.2 **Discontinued products:** If a product or model is discontinued by the manufacturer, vendor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 11.3 **New products/Services:** New products and/or services that meet the scope of work may be added to the contract. Pricing shall be equivalent to the percentage discount for other products. Vendor may replace or add product lines to an existing contract if the line is replacing or supplementing products on contract, is equal or superior to the original products offered, is discounted in a similar or to a greater degree, and if the products meet the requirements of the solicitation. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.

- 11.4 **Options**: Optional equipment for products under contract may be added to the contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 11.5 **Product line**: Offerors with a published catalog may submit the entire catalog. Region 4 ESC reserves the right to select products within the catalog for award without having to award all contents. Region 4 ESC may reject any addition of equipment options without cause.
- 11.6 **Warranty conditions**: All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 11.7 **Buy American requirement**: (for New Jersey and all other applicable States) Vendors may only use unmanufactured construction material mined or produced in the United States, as required by the Buy American Act. Where trade agreements apply, to the extent permitted by applicable law, then unmanufactured construction material mined or produced in a designated country may also be used. Vendors are required to check state specific requirements to ensure compliance with this requirement.

ARTICLE 12- SITE REQUIREMENTS

- 12.1 **Cleanup**: Vendor shall clean up and remove all debris and rubbish resulting from their work as required or directed by Member. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.
- 12.2 **Preparation**: Vendor shall not begin a project for which Member has not prepared the site, unless vendor does the preparation work at no cost, or until Member includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 12.3 **Registered sex offender restrictions**: For work to be performed at schools, vendor agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Vendor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Member's discretion. Vendor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.
- 12.4 **Safety measures**: Vendor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Vendor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.
- 12.5 **Smoking**: Persons working under the contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 12.6 **Stored materials**: Upon prior written agreement between the vendor and Member, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Member prior to payment. Such materials must be stored and protected in a secure location, and be insured for their full value by the vendor against loss and damage. Vendor agrees to provide proof of coverage and/or addition of Member as an additional insured upon Member's request. Additionally, if stored offsite, the materials must also be clearly identified as property of buying Member and be separated from other materials. Member must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary.

Until final acceptance by the Member, it shall be the Vendor's responsibility to protect all materials and equipment. The Vendor warrants and guarantees that title for all work, materials and equipment shall pass to the Member upon final acceptance.

ARTICLE 13- MISCELLANEOUS

- 13.1 **Funding Out Clause**: Any/all contracts exceeding one (1) year shall include a standard “funding out” clause. A contract for the acquisition, including lease, of real or personal property is a commitment of the entity’s current revenue only, provided the contract contains either or both of the following provisions:

“Retains to the entity the continuing right to terminate the contract at the expiration of each budget period during the term of the contract and is conditioned on a best efforts attempt by the entity to obtain appropriate funds for payment of the contract.”

- 13.2 **Disclosures**: Offeror affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.

Include a complete description of any and all relationships that might be considered a conflict of interest in doing business with participants in TCPN.

The Offeror affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

- 13.3 **Indemnity**: The awarded vendor shall protect, indemnify, and hold harmless both Region 4 ESC and TCPN and its participants, administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the vendor, vendor employees or vendor subcontractors in the preparation of the solicitation and the later execution of the contract, including any supplemental agreements with members. Any litigation involving either Region 4 ESC or TCPN, its administrators and employees and agents will be in Harris County, Texas. Any litigation involving TCPN members shall be in the jurisdiction of the participating agency.

- 13.4 **Franchise Tax**: The Offeror hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes.

- 13.5 **Marketing**: Awarded vendor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this contract by awarded vendor must have prior approval from Region 4 ESC.

- 13.6 **Certificates of Insurance**: Certificates of insurance shall be delivered to the Region 4 ESC participant prior to commencement of work. The insurance company shall be licensed in the applicable state in which work is being conducted. The awarded vendor shall give the participating entity a minimum of ten (10) days notice prior to any modifications or cancellation of policies. The awarded vendor shall require all subcontractors performing any work to maintain coverage as specified.

- 13.7 **Legal Obligations**: It is the Offeror’s responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services identified in this RFP and any awarded contract and shall comply with all while fulfilling the RFP. Applicable laws and regulation must be followed even if not specifically identified herein.

- 13.8 **Open Records Policy**: Because Region 4 ESC contracts are awarded by a governmental entity, responses submitted are subject to release as public information after contracts are executed. If a vendor believes that its response, or parts of its response, may be exempted from disclosure, the vendor must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, the Offeror must specify which exception(s) are applicable and provide detailed

reasons to substantiate the exception(s). Offeror must provide this information on the "Acknowledgement and Acceptance to Region 4 ESC's Open Record Policy" form found at the beginning of this solicitation. Any information that is unmarked will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any vendor. Offeror are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

After completion of award, these documents will be available for public inspection.

[Remainder of Page Intentionally Left Blank – Signatures follow on Signature Form]

VENDOR CONTRACT SIGNATURE FORM

The undersigned hereby proposes and agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing. The undersigned further certifies that he/she is an officer of the company and has authority to negotiate and bind the company named below and has not prepared this proposal in collusion with any other Respondent and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any person engaged in this type of business prior to the official opening of this proposal.

Prices are guaranteed: 120 days

Company name Fastenal Company

Address 2001 Theurer Blvd.

City/State/Zip Winona, MN 55987

Telephone No. (507) 313-7206

Fax No. (507) 494-6330

Email address zwise@fastenal.com

Printed name Kenneth R. Nance

Position with company Executive Vice President - Sales

Authorized signature *Kenneth R. Nance*

Accepted by The Cooperative Purchasing Network:

Term of contract April 1, 2015 to March 31, 2018

Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew annually for an additional two (2) years if agreed to by Region 4 ESC and the awarded vendor. Awarded vendor shall honor all administrative fees for any sales made based on a contract whether renewed or not.

Rita Drabek
Region 4 ESC Authorized Board Member

2-24-2015
Date

Rita Drabek
Print Name

Faye B. Bryant
Region 4 ESC Authorized Board Member

2-24-2015
Date

Faye B. Bryant
Print Name

TCPN Contract Number R142101

Appendix D:
GENERAL TERMS & CONDITIONS ACCEPTANCE FORM

Signature on Vendor Contract Signature form certifies complete acceptance of the General Terms and Conditions in this solicitation, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the General Terms and Conditions:

- ☐ We take no exceptions/deviations to the general terms and conditions

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- ☒ We take the following exceptions/deviations to the general terms and conditions. All exceptions/deviations must be clearly explained. Reference the corresponding general terms and conditions that you are taking exceptions/deviations to. Clearly state if you are adding additional terms and conditions to the general terms and conditions. Provide details on your exceptions/deviations below:

(Note: Unacceptable exceptions shall remove your proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions/deviations and the decision shall be final.)

Please see the following pages which detail our exceptions/deviations.

Appendix D:

GENERAL TERMS & CONDITIONS ACCEPTANCE FORM

Fastenal takes the following exceptions:

9.1 Best Price Guarantee:

The evaluated vendor agrees to provide pricing to Region 4 ESC and its participating entities that are the lowest pricing available and the pricing shall remain so throughout the duration of the contract. Pricing offered to Federal government buying consortiums for goods and services is exempt from this requirement. The awarded vendor, however, agrees to lower the cost of any product purchased through TCPN following a reduction in the manufacture or publisher's direct cost.

Clarification / exception to Best Price Guarantee:

Fastenal is offering Region 4 ESC a pricing structure that represents a "ceiling price". Region 4 ESC and its participating entities will not be charged more than the pricing negotiated but may be charged more favorable prices based upon market conditions, volume discounts, planned purchases that allow for Manufacturer specific Special Pricing Agreements (SPA) and other situational variations that regularly occur in a retail environment commonly known as deviations (liquidations, damaged goods, one time good will, seasonal items, local promotions, etc.).

Additionally, Fastenal's price methodology with other State contracts and National Governmental Cooperatives is to negotiate the not to exceed or "ceiling price," and these customers also share the same commercial sales practice of Region 4 (and their participating entities). They are afforded the same opportunity for more favorable prices resulting from situational conditions and/or deviations, so it is not possible to make a best pricing representation.

Regarding the representation to lower the price as a result of a manufacturer price reduction - Fastenal's vendor base is comprised of thousands of vendors who are manufacturers, manufacturer representatives, dealers, brokers, and distributors of branded items and commodities. We often have multiple vendors for the same item and inventory within our distribution system that represents purchases from multiple vendors over different time periods at a variety of price points. Because of the aforementioned purchasing and distribution practices of Fastenal as a national distributor with a global vendor base, it is not practical or reasonable to administer automatic price decreases based upon changes in vendor costing.

9.2 Price increase: Should it become necessary or proper during the term of this contract to make any change in design or any alterations that will increase expense Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the contract, shall be paid without prior approval. All price increases to core item list must be supported by manufacture documentation, or a formal cost justification letter.

Seller will provide adequate documentation to substantiate proposed price adjustments. Such documentation may include but is not limited to third-party market reports, documentation from Seller's suppliers and reputable commodity indexes.

Discounts for Catalog items will remain firm for the life of the contract. Discounts will be applied to the Fastenal Wholesale published price effective the date of purchase.

Awarded vendor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC if requested.

It is the awarded vendor's responsibility to keep all pricing up to date and on file with Region 4 ESC.

Core Item list will be maintained on an Excel spreadsheet. Core Items will have the message "Core Item" when shopping on www.fastenal.com with the Buyer's account number. Additionally, the message of "Core Item" will be displayed at the local store within Seller's Point-of-Sale system and on any punch-out e-catalogs required by Buyer.

Catalog items are items that are available for purchase on www.fastenal.com or are published in the current version of the Fastenal Big Blue Catalog. All Catalog items will have the message "Catalog item" when shopping on www.fastenal.com with the Buyer's account number. Additionally, the message of "Core Item" will be displayed at the local store within Seller's Point-of-Sale system and on any punch-out e-catalogs required by Buyer.

Pricing for Non-Catalog items shall be negotiated by the parties at the local level prior to the sale of said items.

All price changes must be provided to Region 4 ESC, using the same format as was accepted in the original contract.

- 9.4 Price Reduction and Adjustment:** Price reduction may be offered at any time during contract and shall become effective upon notice of the acceptance from Region 4 ESC. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all Members equally; 2) reduction is for a specific time period, normally not less than thirty (30) days; 3) original price is not exceeded after the time-limit; and 4) Region 4 ESC has approved the new prices prior to any offer of the prices to a Member. Vendor shall offer Region 4 ESC any published price reduction during the contract period. Price reductions for retail deviations, spot buys and/or situational market conditions do not constitute a price reduction or adjustment.

ARTICLE 10- PRICING AUDIT

- 10.1 Audit rights:** Vendor shall, at Vendor's sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Agreement. TCPN and Region 4 ESC each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. In the State of New Jersey, this audit right shall survive

termination of this Agreement for a period of five (5) years from the date of final payment. Such records shall be made available to the New Jersey Office of the State Comptroller upon request. Region 4 ESC shall have the authority to conduct random audits of Vendor's pricing that is offered to eligible entities at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered to eligible agencies that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Vendor's pricing at Vendor's sole cost and expense for auditing costs incurred by Fastenal in support of the audit. All audit costs incurred by Region 4 ESC are at Region 4 ESC's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC or TCPN.

- 12.3 **Registered sex offender restrictions:** As required by individual school districts, For work to be performed at schools, vendor agrees to perform background checks to insure that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Vendor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Member's discretion. Vendor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.

Appendix E:

QUESTIONNAIRE

Please provide responses to the following questions that address your company's operations, organization, structure and processes for providing products and services.

1. States Covered

Offeror must indicate any and all states where products and services can be offered.

Please indicate the price co-efficient for each state if it varies.

☒ **50 States & District of Columbia** (Selecting this box is equal to checking all boxes below)

- | | |
|---|---|
| <input type="checkbox"/> Alabama | <input type="checkbox"/> Montana |
| <input type="checkbox"/> Alaska | <input type="checkbox"/> Nebraska |
| <input type="checkbox"/> Arizona | <input type="checkbox"/> Nevada |
| <input type="checkbox"/> Arkansas | <input type="checkbox"/> New Hampshire |
| <input type="checkbox"/> California | <input type="checkbox"/> New Jersey |
| <input type="checkbox"/> Colorado | <input type="checkbox"/> New Mexico |
| <input type="checkbox"/> Connecticut | <input type="checkbox"/> New York |
| <input type="checkbox"/> Delaware | <input type="checkbox"/> North Carolina |
| <input type="checkbox"/> District of Columbia | <input type="checkbox"/> North Dakota |
| <input type="checkbox"/> Florida | <input type="checkbox"/> Ohio |
| <input type="checkbox"/> Georgia | <input type="checkbox"/> Oklahoma |
| <input type="checkbox"/> Hawaii | <input type="checkbox"/> Oregon |
| <input type="checkbox"/> Idaho | <input type="checkbox"/> Pennsylvania |
| <input type="checkbox"/> Illinois | <input type="checkbox"/> Rhode Island |
| <input type="checkbox"/> Indiana | <input type="checkbox"/> South Carolina |
| <input type="checkbox"/> Iowa | <input type="checkbox"/> South Dakota |
| <input type="checkbox"/> Kansas | <input type="checkbox"/> Tennessee |
| <input type="checkbox"/> Kentucky | <input type="checkbox"/> Texas |
| <input type="checkbox"/> Louisiana | <input type="checkbox"/> Utah |
| <input type="checkbox"/> Maine | <input type="checkbox"/> Vermont |
| <input type="checkbox"/> Maryland | <input type="checkbox"/> Virginia |
| <input type="checkbox"/> Massachusetts | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Michigan | <input type="checkbox"/> West Virginia |
| <input type="checkbox"/> Minnesota | <input type="checkbox"/> Wisconsin |
| <input type="checkbox"/> Mississippi | <input type="checkbox"/> Wyoming |
| <input type="checkbox"/> Missouri | |

☐ **Territories & Outlying Areas** (Selecting this box is equal to checking all boxes below)

- | | |
|---|--|
| <input type="checkbox"/> American Samoa | <input type="checkbox"/> Northern Marina Islands |
| <input type="checkbox"/> Federated States of Micronesia | <input checked="" type="checkbox"/> Puerto Rico |
| <input checked="" type="checkbox"/> Guam | <input type="checkbox"/> U.S. Virgin Islands |
| <input type="checkbox"/> Midway Islands | |

2. Diversity Programs

- Do you currently have a diversity program or any diversity partners that you do business with? ☒ Yes ☐ No
- If the answer is yes, do you plan to offer your program or partnership through through TCPN ☒ Yes ☐ No

[Please see the attached Supplier Diversity Overview.](#)

(If the answer is yes, attach a statement detailing the structure of your program, along with a list of your diversity alliances and a copy of their certifications.)

- Will the products accessible through your diversity program or partnership be offered to TCPN members at the same pricing offered by your company?
☒ Yes ☐ No

(If answer is no, attach a statement detailing how pricing for participants would be calculated.)

3. Minority and Women Business Enterprise (MWBE) and (HUB) Participation

It is the policy of some entities participating in TCPN to involve minority and women business enterprises (M/WBE), small and/or disadvantaged business enterprises, disable veterans business enterprises, historically utilized businesses (HUB) and other diversity recognized businesses in the purchase of goods and services. Respondents shall indicate below whether or not they hold certification in any of the classified areas and include proof of such certification with their response.

a. Minority Women Business Enterprise

Respondent certifies that this firm is an MWBE ☐ Yes ☒ No

List certifying agency: _____

b. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)

Respondent certifies that this firm is a SBE or DBE ☐ Yes ☒ No

List certifying agency: _____

c. Disabled Veterans Business Enterprise (DVBE)

Respondent certifies that this firm is a DVBE ☐ Yes ☒ No

List certifying agency: _____

d. Historically Underutilized Businesses (HUB)

Respondent certifies that this firm is a HUB ☐ Yes ☒ No

List certifying agency: _____

e. Historically Underutilized Business Zone Enterprise (HUBZone)

Respondent certifies that this firm is a HUBZone ☐ Yes ☒ No

List certifying agency: _____

f. Other

Respondent certifies that this firm is a recognized diversity certificate holder ☐ Yes ☒ No

List certifying agency: _____

4. Residency

Responding Company's principal place of business is in the city of Winona State of MN.

5. Felony Conviction Notice

Please check applicable box:

- ☒ A publicly held corporation; therefore, this reporting requirement is not applicable.
- ☐ Is not owned or operated by anyone who has been convicted of a felony.

- ☐ Is owned or operated by the following individual(s) who has/have been convicted of a felony.

*If the third box is checked a detailed explanation of the names and convictions must be attached.

6. Processing Information

Company contact for:

Contract Management

Contact Person: Zach Wise
Title: TCPN Contract Manager
Company: Fastenal Company
Address: 4730 Service Drive
City: Winona State: MN Zip: 55987
Phone: (507) 313-7206 Fax: _____
Email: zwise@fastenal.com

Billing & Reporting/Accounts Payable

Contact Person: Monica Nelton
Title: Sales Development Manager
Company: Fastenal Company
Address: 4730 Service Drive
City: Winona State: MN Zip: 55987
Phone: (507) 313-7633 Fax: (507) 453-7145
Email: mnelson@fastenal.com

Marketing

Contact Person: Zach Wise
Title: TCPN Contract Manager
Company: Fastenal Company
Address: 4730 Service Drive
City: Winona State: MN Zip: 55987
Phone: (507) 313-7206 Fax: _____
Email: zwise@fastenal.com

7. Distribution Channel: Which best describes your company's position in the distribution channel:

- | | |
|--|--|
| <input type="checkbox"/> Manufacturer direct | <input type="checkbox"/> Certified education/government reseller |
| <input checked="" type="checkbox"/> Authorized distributor | <input type="checkbox"/> Manufacturer marketing through reseller |
| <input type="checkbox"/> Value-added reseller | <input type="checkbox"/> Other _____ |

8. Pricing Information

- In addition to the current typical unit pricing furnished herein, the Vendor agrees to offer all future product introductions at prices that are proportionate to Contract Pricing.

☒ Yes ☐ No

(If answer is no, attach a statement detailing how pricing for participants would be calculated.)

- Pricing submitted includes the required administrative fee. ☒ Yes ☐ No

(Fee calculated based on invoice price to customer)

- Additional discounts for purchase of a guaranteed quantity? ☒ Yes ☐ No

9. Cooperatives

List any other cooperative or state contracts currently held or in the process of securing

Cooperative/State Agency	Discount Offered	Expires	Annual Sales Volume
Due to confidentiality we do not disclose customer specific			
information to any other party. This same confidentiality will,			
of course, be extended to Region 4 ESC and all participating			
agencies.			

[Remainder of Page Intentionally Left Blank]

Supply Chain Diversity

Recognizing that many of our customers have supplier diversity requirements and initiatives, Fastenal is committed to not only promoting diversity within our company, but also across our supply chain. To that end, we've developed a three-pronged approach to supply chain diversity that includes supplier diversity, vendor diversity and a 1st tier authorized reseller program.

Supplier Diversity

Our small business liaison officer makes sure that Fastenal isn't just "talking the talk" but also "walking the walk" when it comes to diversity and inclusion. Enriching our supply chain diversity not only helps our customers fulfill their diversity spend initiatives, it also gives our company a competitive edge and encourages our supply base to look for ways to support diverse business enterprises.



Vendor Diversity

Fastenal's Supplier Diversity team works to maximize procurement opportunities for minority-owned and woman-owned business enterprises. To that end, we're committed to building relationships with, and purchasing goods and services from, MBE/WBE to the maximum extent possible while meeting our standards for quality and reliability. Fastenal's diversity supplier base currently includes more than 200 minority- and woman-owned suppliers. Fastenal purchases from these diversity suppliers in 2009 totaled more than \$42 million, and the number of small businesses that Fastenal purchased from exceeded 1,500. To further support Fastenal's 2nd tier product offering, a supply chain diversity educational brochure and supplier directory were published in 2008 featuring small, woman-owned, minority-owned, HUBZone, veteran and service-disabled veteran-owned businesses. Contact suppliercert@fastenal.com for more information.

1st Tier Authorized Reseller Program

Fastenal's Supply Chain Diversity program establishes strategic alliances with small businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's 1st tier program features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications, including:

- Small Business (SB)
- Small Disadvantaged Business (SDB)
- Minority Business Enterprise (MBE)
- Disadvantaged Business Enterprise (DBE)
- Woman Business Enterprise (WBE)
- Veteran and Service Disabled Veteran owned business (SDVSB)
- HUB Zone business (HUB)

The full line of Fastenal's fasteners and industrial supplies are available for purchase through our authorized resellers. Some resellers are stocking distributors; others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements. All authorized resellers are the vendor of record – responsible for contract negotiations, pricing, invoicing and accounts receivable management.

Appendix F: COMPANY PROFILE

Please provide the following:

1. Company's official registered name.
Fastenal Company
2. Brief history of your company, including the year it was established.
The Fastenal story began in November 1967 when Bob Kierlin opened the first Fastenal store, a 1,000-square-foot shop in his hometown of Winona, MN. It was a humble beginning, but the company eventually found its niche as a supplier that earns opportunities by exceeding customers' expectations for service – an approach later summed up with four words: *Growth Through Customer Service*. Guided by this motto, Fastenal grew from a small-town store, to an up-and-coming regional business, to a successful public firm, to North America's largest fastener company, to the world's most efficient distributor of OEM, MRO, and construction supplies.
3. Company's Dun & Bradstreet (D&B) number.
04 265 3634
4. Corporate office location.
2001 Theurer Blvd.
Winona, MN 55987
5. List the total number of sales persons employed by your organization within the United States, broken down by market.
Fastenal currently employs 18,640 people. Of this count, 11,221 are employed in sales roles in the United States.

Sales Category	Count
Stores <i>General Managers, Account Specialists, Outside Sales, Sales Support</i>	10,539
Sales Management <i>Regional Vice President, District Manager</i>	277
Industry Specialists <i>Aerospace, Construction, eCommerce, Manufacturing, Metalworking, Oil & Gas, Safety, Vending</i>	226
Government Sales	55
National Accounts	124

6. List the number and location of sales offices and distribution centers for all states being offered in solicitation. Additionally, list the names of key contacts at each location with title, address, phone and e-mail address.

Fastenal Company currently operates 2,354 stores and 11 regional distribution centers in the United States. Please see the attached list of locations which includes full addresses and key contacts with contact information.

7. Provide the number of retail stores/storefront locations that your organization has, broken down by State.

Fastenal operates 2,354 stores in the United States and its territories. Please see the attached Fastenal Company US Stores List for a breakdown of locations.

State	Count	State	Count	State	Count	State	Count
AK	7	IL	86	ND	13	TN	59
AL	51	IN	86	NE	24	TX	176
AR	32	KS	36	NH	16	UT	24
AZ	19	KY	55	NJ	35	VA	54
CA	171	LA	45	NM	11	VT	10
CO	47	MA	36	NV	11	WA	62
CT	20	MD	35	NY	76	WI	77
DC	1	ME	15	OH	117	WV	16
DE	8	MI	73	OK	46	WY	14
FL	99	MN	72	OR	44	GU	1
GA	72	MO	60	PA	92	PR	7
HI	7	MS	35	RI	4		
IA	41	MT	11	SC	36		
ID	15	NC	80	SD	14		

8. Describe how your organization will ensure agencies receive the Region 4 ESC contract pricing in retail stores/storefront locations.

In order for agencies to utilize the contract, they will be required to fill out a participation form (a sample of which has been attached). The submission of this form will ensure that they receive the contracted pricing, which is administered through Fastenal's Contract Management system to ensure compliance.

9. Detail any rebates, custom core lists, or other incentive offers, that will be extended through the contract.

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10. Please provide contact information for the person(s) who will be responsible for the following areas, including resumes:

a. Sales

Zach Wise

TCPN Contract Manager

1-507-313-7206

zwise@fastenal.com

Zach has worked for Fastenal for 9 years. He covers the entire United States and is responsible for the training, marketing, and growing of the contract.

Ryan Ash

Government Sales Director – West

1-760-761-0004

rash@fastenal.com

Ryan has worked at Fastenal for 15 years. His territory covers 23 states in the west and Midwest portion of the United States. Ryan oversees 19 government specialists.

Aaron Leyendecker

Government Sales Director – South

1-501-244-0844

aaleyend@fastenal.com

Aaron has worked for Fastenal for 14 years. His territory covers 11 states in the southeastern portion of the United States. Aaron oversees 12 government specialists.

Bill Franssen

Government Sales Director – East

1-757-342-6123

wfransse@fastenal.com

Bill has worked for Fastenal for 13 years. His territory covers 16 states in the northeast portion of the United States. Bill oversees 9 government specialists.

Government State Specialist

(Please see the attached Fastenal Gov Team for details)

b. Sales Support

Zach Wise

TCPN Contract Manager

1-507-313-7206

zwise@fastenal.com

c. Marketing

Zach Wise

TCPN Contract Manager
1-507-313-7206
zwise@fastenal.com

Sally Olson
Marketing Campaign Manager
1-507-313-7137
saolson@fastenal.com

Sally has worked at Fastenal for 11 years. Sally oversees all of Fastenal's marketing campaigns such as direct mail, e-mail marketing, promotional pieces, tradeshow, and social media.

- d. Financial Reporting
Monica Nelton
Sales Development Manager
1-507-313-7633
govcoordinators@fastenal.com

Monica has worked at Fastenal for 2 years. Monica oversees the government coordinator team and is responsible for account maintenance and reporting.

- e. Executive Support
Kevin Fitzgerald
Director of Sales
1-507-453-8565
kfitzger@fastenal.com

Kevin has worked at Fastenal for 15 years. Kevin manages all government and related industry business for the entire United States.

11. Define your standard terms of payment.
Fastenal's standard payment terms are Net 30.
12. Who is your competition in the marketplace?
Fastenal's primary national competitors are Grainger, HD-Supply/Home Depot, and MSC.
We also have several regional competitors.
13. Overall annual sales for last three (3) years; 2011, 2012, 2013.
2011: \$2,766,859,000
2012: \$3,133,577,000
2013: \$3,326,106,000
14. Has your company done anything that is transformative or innovative to the industry? If yes, please describe.

Fastenal Company is continually working to adapt to the needs of our customers. Innovation is one of our four core company values (along with ambition, integrity, and teamwork) and we are always on the lookout for opportunities to bring ideas, modifications, and improvements to our business. We can tailor our solutions to meet the needs of our customers and are open to adopting new methods as they appear.

Fastenal has built the company from humble beginnings 40+ years ago through a motto of Growth Through Customer Service and a hunger to identify new products and services that add value to existing customer relationships. This hunger for more opportunities to serve customers is what drove the company to open more than 2,300 locations in the United States and expand the product offering from fasteners to a full line of industrial supplies, resulting in Fastenal becoming the fastest growing industrial supply distributor in the nation.

Through our 2,300+ local stores, Fastenal manages more inventory supply systems than any other industrial and construction supplier in the nation. The foundation of our flexible programs is local service – understanding our customers' requirements and usage patterns, keeping product stocked at the local store to anticipate their needs, and continually providing just the right amount of inventory, when, where, and how it's needed. We offer a variety of VMI options from dock-to-dock to an in-plant operation, and technical solutions from FAST Crib crib management software to industrial vending machines.

With more than 38,000 machines installed at customer sites, Fastenal is far and away the largest industrial vending company in the world. Our industrial vending solutions provide point-of-use access to supplies while generating detailed usage reporting to drive consumption reduction. The machines are provided, installed, maintained, and replenished by local Fastenal personnel. There are no long-term commitments or capital expenses, only a low annual software hosting fee and a minimum monthly spend requirement.

15. Overall public sector sales, excluding Federal Government, for last three (3) years; 2011, 2012, 2013.

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16. What is your strategy to increase market share?

Our goal is to become the best industrial distributor in each market that we serve. We are working to achieve this by:

- Opening new stores, domestically and internationally
- Continuing to expand the products and services offered to our customers
- Developing innovative sales and marketing approaches

With the addition of new product offerings and more efficient ways for the customer to receive their product, we believe we are positioned to become the best industrial and construction distributor in each market we serve.

With regards to our government customer base, we have expanded, and continue to expand on all products offering with a focus in plumbing, electrical and HVAC to address

the demands of facilities maintenance managers within state agencies, municipalities and educational facilities. The continuous improvement of our e-commerce platforms are another focal point of our strategy to grow in the government segment. With regards to MRO supplies, Government customers are looking for more than a catalog and a 1-800 number or a big box retail chain.

17. What differentiates your company from competitors?

At the heart of what differentiates our company from the competition is the concept of a “strategic” versus a “transactional” supplier. There are some very good transactional suppliers out there, but their business models are narrowly focused on the efficiencies of transactions – the number of standard products available, the number of purchase orders filled, the number of days from order to delivery, etc. By nature it’s a reactive model: The order comes in, it’s processed in a remote warehouse, and shipped via a third-party carrier. The good news is that the box arrives within 24 to 48 hours. The bad news is that very little value is delivered along with it.

As a strategic supplier, Fastenal takes a very different approach to drive a deeper level of value. A key concept is total cost of ownership, or TCO. This is particularly important in the MRO arena, where piece price typically represents less than 50% of the total costs associated with low-dollar, high-use supplies. While we strive to be competitive on price, what truly sets us apart is our ability to economize the many indirect costs associated with acquiring, owning and managing MRO inventory, in many cases by assuming these burdens and costs ourselves – something we’re willing to do in order to earn loyalty and future opportunities.

The key to this TCO value proposition is our local presence. With more than 2,300 U.S. branches – far more than any other industrial supplier – we’re located within 20 miles of nearly 100% of our current and potential customer locations in North America. Because we are where you are, we’re able to stock tailored inventory minutes away, actively manage the flow of planned purchases, and immediately respond to any emergency needs, driving down indirect costs every step of the way. On a more fundamental level, having a dedicated local store for every customer location sets the stage for an environment in which nearly all purchases become planned purchases.

Every Fastenal store carries a broad core inventory to meet common customer needs across a range of industries, but this is just a starting point. As information is shared and usage patterns emerge, each servicing branch will adapt its inventory model to mirror and anticipate your local demand. Within a matter of months, nearly all of your product needs are stocked in close proximity to your facilities, dramatically reducing inventory carrying costs, stock outages, and costly rush orders. In short, while other suppliers are built to react with 24 to 48 hour lead times, our system is designed to analyze, anticipate, and provide today’s needs today.

18. Describe the capabilities and functionality of your firm’s on-line catalog/ordering website.

Fastenal.com features nearly 400,000 products presented online for browsing and purchasing. A powerful search engine which includes attributes and standard fastener terminology has been developed for more accurate search results. Users can register to see their Custom Pricing as well as view the inventory in their closest Fastenal store. This fully transaction website allows for product search, traceability, and order submittal for on-line shopping convenience. Orders may be picked up at the local store or delivered directly to the user by one of our Fastenal Customer Service Representatives from the local store.

19. Describe your company's level of expertise with web-based procurement providers such as ESM, SciQuest, Lawson, Oracle, SAP, Peoplesoft, and all others your company has successfully interfaced with a public agency.

Fastenal has vast integration experience with a number of 3rd party web-based procurement providers, including ESM, SciQuest, Oracle, SAP, Peoplesoft, and many more. With over 15 years of experience with B2B integration, Fastenal has a dedicated eCommerce team to implement such integrations.

20. Does your company have a "*Lead Point of Contact*" for e-commerce integration issues? If yes, please provide detail contact information.

Fastenal has a dedicated team for eCommerce integrations. Each project is assigned an eCommerce Sales Specialist and a Technical Business Analyst. Both of these individuals would be key points of contact for any integration issues.

21. Describe your company's ongoing quality control processes to ensure qualified in-house personnel and subcontractors.

Fastenal has a highly trained, ethical work force thanks to our comprehensive corporate university, the Fastenal School of Business. With 14 campus locations, extensive field training, and a dynamic online training portal, FSB provides career-long opportunities for professional education and development, enabling our sales and support personnel to continually improve their product knowledge and service skills. Specialized institutes focus on store operations, leadership, sales, marketing, product education, operations, and support.

Fastenal does not typically utilize subcontractors. However, we have in place a documented and implemented supplier approval program with scheduled on-site audits on a three-year cycle. Our policy is that we buy standard product only from approved suppliers.

22. Describe your company's ability to create and maintain a dedicated TCPN page on your company's website, as well as any other capabilities your company may have of promoting the contract online.

Fastenal has an established "Landing Page" on fastenal.com that references our agreement with TCPN and shows users the product categories under the contract, how to become a TCPN member, links to the TCPN.org website, how to register their account with TCPN pricing, how to contact their local Fastenal store or government sales manager. This landing page is controlled and updated by Fastenal on a regular basis.

FASTENAL® Sales, Rebates & Catalogs Services Resources About Us Careers Help

Products Browse Keyword, Part Number or X-Ref My Account Sign In or Register My Store Find a Store My Cart Items(0)

Home > Sales & Industry Solutions > Government & Related Industries > State & Local Contracts & Cooperatives > Cooperatives > TCPN

TCPN

Fastenal: Facilities Maintenance & Construction Supplies

Contract #R4952 – MRO Equipment, Supplies & Related Items/Services

Fastenal and The Cooperative Purchasing Network (TCPN) make cooperative purchasing simple. Use Contract #R4952 for MRO Equipment, Supplies, and related Items/Services. Fastenal is ready to serve TCPN members with quality Maintenance, Repair & Operation (MRO) supplies and services. Our offering spans 18 product categories available at more than 2,600 retail stores nationwide. In addition to retail stores, TCPN customers can shop online at www.fastenal.com.

Additional Information

- [FAST Solutions Agreement](#)

About TCPN

TCPN is a national governmental purchasing cooperative, established in 1997 whose contracts have been competitively bid and awarded, by a governmental entity serving in the lead agency role, to national vendors for commonly purchased products and services, including facilities, furniture, office supplies and equipment, security systems and technology. Entities that must comply with purchasing procedures mandated by state laws and regulations, like public and private schools, colleges and universities, cities, counties, nonprofits, and all governmental entities, use TCPN contracts to increase their efficiency and economy when procuring goods and services. As a national purchasing cooperative, TCPN leverages one of the largest pools of purchasing potential and allows agencies to receive a combined buying power regardless of the entity's size. For more information about TCPN, please visit www.tcpn.org.

Fastenal Quick Facts

- More than 2,600 retail stores
- 24-hour emergency service
- Local service and delivery
- Flexible purchasing options: walk-in, phone, fax, or e-commerce
- Contract pricing on all product categories
- Just-in-time ordering and fast fulfillment delivery
- Solutions based vendor managed inventory programs
- FAST Solutions – Simple, Affordable Industrial Vending

TCPN Members Receive Discounts On...

- HVAC
- Lighting
- Material Handling Repairs
- Motors and Accessories
- Fasteners
- Outdoor Garden Supplies and Equipment
- Air Filters
- Cleaning
- Security
- Electrical Repairs and Equipment
- Batteries and Flashlights
- Paint and Accessories

23. Describe your company's ability to maintain a vendor page on TCPN's website including always up-to-date contact information and promotional materials.
- Fastenal regularly communicates with TCPN representatives regarding changes to contact information and continuously shares marketing materials promoting the Fastenal-TCPN agreement. Fastenal and TCPN hold monthly meetings to update each other on business trends and marketing efforts. This effective communication is key to keeping the Fastenal vendor page on TCPN up to date and relevant.



24. Describe your company's Customer Service Department (hours of operation, number of service centers, etc.).

Fastenal currently operates 2,354 stores in the United States. Standard store operating hours are 7:00am to 5:00pm, Monday through Friday. Emergency contact information can be provided to reach local Fastenal representatives outside of standard store hours.

25. Provide information regarding whether your firm, either presently or in the past, has been involved in any litigation, bankruptcy, or reorganization.

Fastenal has not been involved in bankruptcy or reorganization. Please see the attached Litigation Disclosure.

Marketing / Sales

26. Detail how your organization plans to market this contract within the first ninety (90) days of the award date. This should include, but not be limited to:

- A co-branded press release within first 30 days
- Announcement of award through any applicable social media sites
- Direct mail campaigns

- d. Co-branded collateral pieces
- e. Advertisement of contract in regional or national publications
- f. Participation in trade shows
- g. Dedicated TCPN and Region 4 ESC internet web-based homepage with:
 - i. TCPN and Region 4 ESC Logo
 - ii. Link to TCPN and Region 4 ESC website
 - iii. Summary of contract and services offered
 - iv. Due Diligence Documents including; copy of solicitation, copy of contract and any amendments, marketing materials

Please see the attached Fastenal Implementation Plan.

27. Describe how your company will demonstrate the benefits of this contract to eligible entities if awarded.

Fastenal has a proven track record of adding eligible agencies to TCPN. Fastenal will use its extensive local sales force to meet face to face with eligible agencies. Fastenal's sales force has been trained to show their customers how using the TCPN cooperative agreement saves the customer time and money versus the customer drafting and managing their own RFP. Fastenal's government RFP team uses a TCPN cover letter to respond to eligible agencies' requests for bids.

Fastenal will also demonstrate the benefits of the TCPN contract via co-branded direct mail campaigns, e-mail marketing, and marketing pieces explaining the benefits of cooperative purchasing and how eligible agencies can become a member of TCPN.

28. Explain how your company plans to market this agreement to existing government customers.

Fastenal will market our TCPN agreement to existing customers via a co-branded direct mail campaign, email marketing, advertising the TCPN award on Fastenal's company website, and using our extensive local sales force to meet face to face with existing customers. Fastenal will have marketing pieces developed explaining the benefits of cooperative purchasing and how eligible agencies can become members of TCPN. Fastenal will team up its government sales team with the corresponding TCPN program manager to identify growth opportunities and work together to expand the MRO sales.

29. Provide a detailed ninety (90) day plan describing how the contract will be implemented within your firm.

Please see the attached Fastenal Implementation Plan.

30. Describe how you intend on train your national sales force on the Region 4 ESC agreement.

- Immediate announcement from Fastenal leadership on the award of the TCPN contract via video posted on our internal website.
- Fastenal's government sales team will arrange regional meetings with our Regional Vice Presidents, District Managers, Branch Managers, and outside sales teams. These regional meetings will include:

- Training on the new TCPN agreement, contract terms, discount structure, implementation timelines, category discounts, core items, etc.
- Training on promoting TCPN to eligible agencies and how they can become TCPN members
- TCPN customer specific implementation plans targeting the largest opportunities
- Representatives from TCPN should be involved at these meetings.
- Update the internal landing page on our intranet site, where Fastenal representatives will be directed to access contract specific information

31. Acknowledge that your organization agrees to provide its company logo(s) to Region 4 ESC and agrees to provide permission for reproduction of such logo in marketing communications and promotions.

Fastenal will provide its company logo to Region 4 ESC with permission to reproduce the logo for marketing and promotions.

32. Provide the revenue that your organization anticipates each year for the first three (3) years of this agreement.

CONFIDENTIAL

Administration

33. Describe your company's implementation and success with existing cooperative purchasing programs, if any, and provide the cooperative's name(s), contact person(s) and contact information as reference(s).

Fastenal is very selective with whom they choose to partner with when it comes to national cooperative purchasing programs. The only two national cooperatives Fastenal is partnered with are TCPN and WSCA-NASPO.

Fastenal was awarded the WSCA-NASPO contract in 2011 and has grown that award into 33 statewide contracts. Fastenal's government sales team held regional meetings with our Regional Vice-Presidents, District Managers, General Managers, and outside sales teams to train them on the WSCA agreement, terms, pricing and target customers. Fastenal created landing pages for each state under the WSCA contract and launched a marketing campaign to support our award.

Fastenal was awarded the TCPN contract in 2010 and launched an extensive co-branded marketing campaign aimed at educating the thousands of Fastenal sales people of the benefits of TCPN. Fastenal created a co-branded marketing piece featuring Carl Edwards to promote its TCPN contract. Fastenal added over 7,000 customers from all 50 states to its TCPN contract and have grown sales by 30% or more every year.

Fastenal's government sales team held regional meetings with our Regional Vice-Presidents, District Managers, General Managers, and outside sales teams to train them on the TCPN agreement, terms, pricing and target customers. Fastenal created a landing page for the TCPN agreement and advertised our award on the home page of

Fastenal.com.

Fastenal also created a TCPN contract manager position to oversee the growth, training and promotion of the TCPN agreement.

34. If awarded, please describe your plan to differentiate the TCPN contract from other State, Local and National Cooperatives.

Fastenal is very selective with whom it chooses to partner when it comes to national cooperative purchasing programs. The only two national cooperatives Fastenal is partnered with are TCPN and WSCA-NASPO. Fastenal is not challenged with differentiating between other local national cooperatives.

Fastenal will promote its TCPN contract as the primary contract vehicle for government political subdivisions including, but not limited to:

- City
- County
- K12
- Higher Ed
- Non Profits
- Eligible Healthcare

Fastenal has a dedicated TCPN contract manager who oversees the growth, promotion, and training of the TCPN agreement. Fastenal's TCPN "Core Item" product mix is designed specifically for government political subdivisions. Fastenal will negotiate with eligible agencies a "Custom Core Basket" to meet the specific high volume needs of the customer. The TCPN agreement allows Fastenal to market all of our major product categories without significant restrictions.

Fastenal will hold monthly meetings between government sales leadership and key TCPN leadership. Fastenal's team of government sales specialists will work regularly with the TCPN program managers on large opportunities to grow the TCPN contract. Fastenal will participate in regional tradeshow organized by TCPN and promote our TCPN agreement at national tradeshow.

35. Describe the capacity of your company to report monthly sales through this agreement.
Fastenal does have the ability to provide monthly sales reports.

36. Describe the capacity of your company to provide management reports, i.e. consolidated billing by location, time and attendance reports, etc. for each eligible agency.
As a contract customer you can choose to receive our Executive Report Summary which includes:

- Total Spend
- Spend by Concept
- Spend by Division
- Accounts Receivable

- Spend by Account
- Cost Savings
- Inactive Accounts
- Spend by Account Specialty

Any non-standard reporting requests would be negotiated between Fastenal and the individual agency. The individual agency can request reporting through their local store, local government sales rep, or by emailing govtcpn@fastenal.com.

37. Do you have a policy or policies requiring compliance with all federal, state, international and applicable local laws? Please attach or provide a link:
[Please see the attached Fastenal Policies.](#)

38. Do you have a compliance department? If so, please list the standards this department monitors compliance with (e.g. applicable federal and state laws, internal policy, ISO processes, GSA regulations, etc.).

[Compliance to various standards is monitored through a variety of departments.](#)

- Legal: federal and state laws; internal policy
- Quality: ISO processes; internal policies & procedures
- Product Compliance: federal and state laws; conflict minerals; REACH & RoHS
- Contract Compliance: compliance to contract terms for customers

39. Within the past 5 years, has your organization been made aware of any investigations involving your organization for violation(s) of a law or laws, the legally authorized penalties for which exceeded \$500,000?

If yes, please list all such investigations and their outcomes:

[Yes. Please see the attached Litigation Disclosure.](#)

40. Please provide any suggested improvements and alternatives for doing business with your company that will make this arrangement more cost effective for your company and Participating Public Agencies.

[Fastenal's service-oriented distribution network is designed to drive total cost savings for our customers. We have a variety of cost savings drivers including:](#)

- VMI/Vending: Servicing stores will stock product locally and keep just the right amount flowing to the point of use, eliminating costs associated with stock-outs, rush orders, and excess inventory. Our industrial vending solutions have the added benefit of reducing product consumption, typically by 25-35%.
- Reduced Freight Costs: Our company-owned transportation fleet (6,000+ vehicles in all) enables us to move product efficiently and economize freight expenditures for our strategic customers.
- E-Business Solutions: We offer a range of solutions to minimize paperwork, processing time, and administrative costs.

- **Dedicated Local Service:** Each customer location is serviced by a dedicated local store team that can tailor its inventory and service to support the customers' business goals.
- **DMAIC Process Mappings:** Fastenal Lean specialists can work our customers to map the movement of product through their current system and identify areas where costs can be reduced or eliminated. Based on the information gathered, a gap analysis is presented along with a business plan to achieve a specific cost savings goal. Implemented solutions include Kanban, just in time (JIT), 6S, industrial vending, point-of-use delivery stations, and other Lean Six Sigma concepts.

Green Initiatives

We are committed to helping to build a cleaner future! As our business grows, we want to make sure we minimize our impact on the Earth's climate. So we are taking every step we can to implement innovative and responsible environmental practices throughout Region 4 ESC to reduce our carbon footprint, reduce waste, promote energy conservation, ensure efficient computing, and much more. We would like vendors to partner with us in this enterprise. To that effort, we ask respondents to provide their companies environmental policy and/or green initiative.

41. Please provide your company's environmental policy and/or green initiative.

Please see the attached Fastenal Green Statement.

42. How do you ensure and measure the success of your sustainability policy and initiatives?

Fastenal strives to operate its business as efficiently as possible with responsible resource use at the heart of that practice. Please see the attached Green Statement for examples of what Fastenal does to minimize environmental impact. There are no formal measures in place today, but we are always trying to improve our processes. Fastenal also offers thousands of environmentally preferred products in the categories of Energy Conservation, Green Cleaning & Maintenance, Waste Reduction, and Water Conservation to help our customers reach their environmental goals. As a means to further reduce waste, Fastenal offers recycling programs for lamps, ballasts, and batteries. All of these purchases can be reported on regularly to support ongoing initiatives and help measure progress. Please email gogreen@fastenal.com if you have any questions and be sure to visit our [Green Resources](#) page for more information.

Diversity Initiatives

43. Please describe any diversity programs and/or partnerships that your company has currently implemented.

At Fastenal we recognize the many opportunities small and diverse businesses provide as our suppliers, vendors, and strategic customers. Our Supplier Diversity program facilitates the demand for small business advocacy among large corporations, prime contractors,

city/state/local government, federal government, and many other organizations. Understanding this demand helps us provide opportunities to small and diverse businesses in both the United States and Canada.

2nd Tier Program

We are committed to building relationships with, and purchasing goods and services from, qualified small and diverse businesses to the maximum extent possible while meeting our standards for quality and reliability. This program is not limited to just Woman-Owned and Minority-Owned Business Enterprises; we also support and offer products supplied by Small Businesses, Small Disadvantaged Businesses, Veteran-Owned and Service Disabled Veteran-Owned Businesses, and HUBZone certified businesses. No matter the request or certification criteria, Fastenal's Supplier Diversity team can help.

1st Tier Authorized Reseller Program

Certain projects, contracts, and companies have a very high demand for diversity spend. Our 1st tier program establishes strategic alliances with small businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's 1st tier program features strategic partners with a wide range of manufacturing, distribution, and service capabilities as well as a full complement of supplier diversity certifications, including:

- Small Business (SBE)
- Small Disadvantaged Business (SDB)
- Minority Business Enterprise (MBE)
- Disadvantaged Business Enterprise (DBE)
- Woman Business Enterprise (WBE)
- Small Veteran-Owned Business (SVOB)
- Small Disabled Veteran-Owned Business (SDVOB)
- HUB Zone Business (HUB)

44. What policies and initiatives promoting diversity within your workforce do you have?

Please attach copies of the policies or provide links:

Please see the attached [Equal Employment Opportunity Policy](#).

45. What policies and initiatives promoting diversity within your supplier base do you have?

Please attach copies of the policies or provide links:

At Fastenal, we recognize the many opportunities small and diverse businesses provide as our suppliers, vendors, and strategic customers. Our Supplier Diversity program facilitates the demand for small business advocacy among large corporations, prime contractors, city/state/local government, federal government, and many other organizations.

Understanding this demand helps us provide opportunities to small, diverse, and local businesses world-wide. With more than 2,600 stores spanning North America, we believe that doing business with companies that reflect the diverse communities in which we operate isn't just the "right" thing to do, it also makes good business sense.

Goal

The goal of Fastenal's Supplier Diversity Program is to increase purchases with small, diverse, and local businesses by creating close, long-term relationships that strengthen our supply chain.

Policy

It is our policy to advocate for small, diverse, and local businesses. To that end, we collaborate to identify specific opportunities for our suppliers, working to match our key customers' needs with our supplier's capabilities.

Through our continuous outreach, certification compliance, qualification, and utilization efforts, we continue raising the bar for our program. We are looking to create an elite group of diversity suppliers that meet our standards for quality and have a high level of commitment.

Mission

Our mission is to grow our company by providing our customers with a superior offering of products, consumption tracking capabilities, and Reseller Consortium partners. We recognize that supplier diversity is an opportunity for Fastenal to establish a competitive advantage and improve customer satisfaction. The pursuit of the competitive edge is what drives us to continually increase the diversity of our supplier base.

Developing Relationships & Opportunities

Visit the links below to learn more about Fastenal's Supplier Diversity program.

[Tier II Vendor Diversity Program](#)

[Tier I Authorized Resellers](#)

For more information on our Supplier Diversity program, contact:

suppliercert@fastenal.com.

Vendor Certifications (if applicable)

Provide a copy of all current licenses, registrations and certifications issued by federal, state and local agencies, and any other licenses, registrations or certifications from any other governmental entity with jurisdiction, allowing respondent to perform the covered services including, but not limited to licenses, registrations or certifications. M/WBE, HUB, DVBE, small and disadvantaged business certifications and other diverse business certifications, as well as manufacturer certifications for sales and service must be included if applicable.

Fastenal's corporate functions are centered on the ISO 9001:2008 standard and we're registered at locations worldwide, including each of our distribution centers, our FASTCO operations, and our manufacturing facilities.

In addition, our quality assurance labs are A2LA accredited. The scope of our A2LA accreditation includes mechanical, chemical, dimensional, and calibration testing. Our calibration lab and primary mechanical/chemical test lab is located in Winona, MN, and first completed its A2LA accreditation in 1998. Since then we've received A2LA accreditation for

our labs in Shanghai; Taiwan; Malaysia; Wallingford, CT (HOLO-KROME); and, most recently, Modrice, Czech Republic.

We also have been ISO/TS 16949:2009 certified at our manufacturing facility in Loves Park, IL.

Please see the attached Fastenal Quality Certifications.

Products are purchased to industry standards like ASTM, ANSI, SAE, ISO, etc. Receiving inspection is based on criteria from these product standards.

Incoming products are part numbered and given a unique trace number at receiving inspection. These numbers stay with the product through receiving, shipping, disbursement, packing slip and invoicing. Fastenal has full traceability on all products sold. We stand behind our product 100%.

Fastenal is registered to do business in all 50 states.

Contract Participation Form

In order to receive the pricing and benefits of the contract, a member or eligible entity is required to complete the Contract Participation Form below. Submission of this form is an acknowledgement of the intent to purchase from this contract and that all orders placed under the Fastenal account numbers listed with the form (or added later) are in accordance with the terms and conditions of this contract. If you do not have an account number with Fastenal Company (or do not know your account number) a Fastenal representative will contact you. A Fastenal account can only have one (1) Fastenal contract administered to it. Please contact govtcpn@fastenal.com if you have any questions.

Contact Name	
Title	
Agency/Political Sub	
Department Name	
Email	
Phone	
Physical Address	
City	
State	
Zip Code	
Fastenal Customer Account Number(s)	
Comments	

FAX COMPLETED FORM TO: 507-494-6423

***Follow These Steps
to Sign Up with
TCPN Today!***

1. Go to www.tcpn.org
 - a. Select the "Membership" tab and answer the questions (will take about 1 min)
 - b. No obligation and it's FREE!
2. Allow 3-5 days for processing.

HOW DO YOU PREFER TO BUY?

LOCAL STORE / PERSONAL SERVICE / INVENTORY SOLUTIONS / FASTENAL.COM

Fastenal Company Government Sales Team

SPECIALIST	TERRITORY	EMAIL	Gov Director	Gov Director E-mail
Dan Flynn	DFW - West	dflynn@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Jenna Myhre	DFW - East	jmyhre@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
John Johnson	NM/West TX	ijohnson@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
John Simmons	Central FL	jsimmons@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Mike Fellows	MICHIGAN	ifellows@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Richard Warren	TN	riwarren@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Robbie Greer	LA	rgreer@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Stephen Coulter	Houston	scoulter@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Sydney Waddell	KY	swaddell@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
Tim Williams	AL	tiwillia@fastenal.com	Aaron Leyendecker	aaleyend@fastenal.com
ADAM WRIGHT	OHIO	awright@fastenal.com	Bill Franssen	wfransse@fastenal.com
BRYAN HOOPES	NEW YORK-West	bhoopes@fastenal.com	Bill Franssen	wfransse@fastenal.com
ERIC FANKHANEL	NEW YORK-East	efankhan@fastenal.com	Bill Franssen	wfransse@fastenal.com
JONATHAN MURRAY	NORTH CAROLINA	jomurray@fastenal.com	Bill Franssen	wfransse@fastenal.com
MARIA VERA	NEW JERSEY	mvera@fastenal.com	Bill Franssen	wfransse@fastenal.com
MATT ROLFE	SOUTH CAROLINA	mrolfe@fastenal.com	Bill Franssen	wfransse@fastenal.com
RYAN BEATTY	PENNSYLVANIA	rbeatty@fastenal.com	Bill Franssen	wfransse@fastenal.com
SEAN YAMAMOTO	MASSACHUSETTES AND RHODE ISLAND	syamamot@fastenal.com	Bill Franssen	wfransse@fastenal.com
TOM LANKFORD	MARYLAND, DELAWARE & VIRGINIA	panderso@fastenal.com	Bill Franssen	wfransse@fastenal.com
Chad Zimmermann	IOWA	chazimme@fastenal.com	Ryan Ash	rash@fastenal.com
Darrin Clayton	KANSAS	dclayton@fastenal.com	Ryan Ash	rash@fastenal.com
Dustin Parker	OREGON	dparker@fastenal.com	Ryan Ash	rash@fastenal.com
Eric Slaughter	E. MISSOURI	eslaught@fastenal.com	Ryan Ash	rash@fastenal.com
Erik McKenna	W. WASHINGTON	emckenna@fastenal.com	Ryan Ash	rash@fastenal.com
Grant Schmidt	W. MISSOURI	gschmidt@fastenal.com	Ryan Ash	rash@fastenal.com
Jacob Bruley	LOS ANGELES & ORANGE COUNTY	jbruley@fastenal.com	Ryan Ash	rash@fastenal.com
Jerry Fleming	ID, UT, MT, WY, & W. CO	jfleming@fastenal.com	Ryan Ash	rash@fastenal.com
Joe Deavours	CENTRAL VALLEY, CA	ideavour@fastenal.com	Ryan Ash	rash@fastenal.com
Justin Burke	SACRAMENTO, CA	jburke@fastenal.com	Ryan Ash	rash@fastenal.com
Kyle Elkins	ARKANSAS	kelkins@fastenal.com	Ryan Ash	rash@fastenal.com
Larry Winum	BAY AREA & SAN JOSE, CA	lwinum@fastenal.com	Ryan Ash	rash@fastenal.com
Laura Mayville	WISCONSIN	lmayvill@fastenal.com	Ryan Ash	rash@fastenal.com
Magenta Goodbody	SAN DIEGO	mgoodbod@fastenal.com	Ryan Ash	rash@fastenal.com
Michael Repking	E. COLORADO & WYOMING	mrepking@fastenal.com	Ryan Ash	rash@fastenal.com
Nick Resta	HAWAII & GUAM	nresta@fastenal.com	Ryan Ash	rash@fastenal.com
Reggie Asburry	ARIZONA & LAS VEGAS	rasburry@fastenal.com	Ryan Ash	rash@fastenal.com
Shanna Zahn	MINNESOTA	shanmoor@fastenal.com	Ryan Ash	rash@fastenal.com
Todd Webster	ALASKA	rwebster@fastenal.com	Ryan Ash	rash@fastenal.com
Travis Robles	SACRAMENTO - CA RESELLERS	trobles@fastenal.com	Ryan Ash	rash@fastenal.com

Fastenal Implementation Plan

Fastenal's implementation plan will roll out on two fronts. First, Fastenal will train its sales force so it has the tools and knowledge they need to help purchasing entities effectively utilize Fastenal and this agreement. This will be a continuous improvement plan ensuring that TCPN customers receive the highest level of customer service. Secondly, Fastenal's implementation plan will be dedicated to promote awareness and benefits to eligible public agencies.

Day 1-10

Fastenal will go to work immediately after the new contract has been awarded:

- Immediate announcement from Fastenal leadership on the award of the TCPN contract via video posted on our internal website
- Announce our TCPN award via Fastenal's social media sites (Twitter, Facebook etc.)
- Announce our TCPN award via Fastenal's website www.fastenal.com with a banner on the homepage
- Update the internal landing page on our intranet site, where Fastenal sales representatives will be directed to access contract specific information
- Update the external landing page on Fastenal.com dedicated to TCPN to show the following:
 - TCPN and Region 4 ESC logo
 - Link to TCPN and Region 4 ESC websites
 - Instructions on how to become a TCPN member
 - Summary of contract and services offered
 - Links to the contract documents and marketing materials

Day 10-30

- Send out a co-branded press release via direct mail to TCPN customers and prospects
- Send out a co-branded press release via e-mail to TCPN customers and prospects
- Start to develop specific co-branded marketing materials for the new TCPN agreement
- Fastenal's government sales team will arrange regional meetings with our Regional Vice Presidents, District Managers, Branch Managers and outside sales teams. These regional meetings will include:
 - Training on the new TCPN agreement, contract terms, discount structure, implementation timelines, etc.
 - Training on promoting TCPN to eligible agencies and how they can become TCPN members
 - TCPN customer specific implementation plans targeting the largest opportunities
 - Representatives from TCPN should be involved at these meetings

- Hold implementation meeting with TCPN representatives to identify and review key objectives
- Attend or make plans to attend national and regional tradeshow to promote our TCPN contract

Day 30-60

- Implementation workshop with our Regional Vice Presidents, District Managers, Branch Managers and outside sales teams that will go over all contract details including, but not limited to:
 - Contract Terms
 - Category Discounts
 - Core List Items
 - Target Agencies
 - Contract Benefits
- Hold implementation meeting with TCPN representatives to identify and review key objectives.

Day 60-90

- Key Fastenal employees will travel to TCPN headquarters for vendor orientation and strategy session
- Ongoing training and evaluation of workshop action items
- Ongoing review of implementation process plan with project management team and TCPN representatives
- Start the first Quarterly Business Review (QBR) under this new contract to identify issues or successes

IMPLEMENTATION TEAM

- **Zach Wise** – Fastenal TCPN Contract Manager
- **Kevin Fitzgerald** – Fastenal Director of Sales
- **Ryan Ash** – Fastenal Director of Government Sales - WEST
- **Aaron Leyendecker** - Fastenal Director of Government Sales –South
- **Bill Franssen** - Fastenal Director of Government Sales - EAST
- **Sally Olson** – Fastenal Marketing Campaign Manager

STRATEGIC MARKETING

Fastenal's Marketing team is committed to promoting Fastenal's products, services, solutions, and preeminent customer service to all state government departments, institutions, institutions of higher education, agencies and political subdivisions. Our team will execute a strategic marketing plan that will be rolled out in conjunction with the TCPN implementation/training program.

We will utilize our considerable internal resources to achieve success, including our in-house Marketing and Graphic Design teams, print shop, and vinyl shop.

Our go-to-market strategy is to educate our sales and support personnel, provide tools to grow our local sales representatives' business through the Agreement, and promote the contract to our customers at every available opportunity.



MARKETING CHANNELS

Print Marketing



Our in-house Marketing, Graphic Design, and Print and Vinyl Shop teams will assist our Government Sales team and local stores in developing customized literature for our current and potential customers. Our teams work under quick turn-around times and are able to produce printed literature at a substantially lower cost than outside print vendors. We also publish barcodes on all of our printed literature, which allows us to track each piece's distribution and sales impact down to the individual customer level. Our print marketing materials include flyers, linecards, brochures, catalogs, direct mail, advertisements, and more.

Online Marketing



Fastenal.com

Over the past year, Fastenal has focused tremendous effort and resources toward improving our site functionality, performance, and product availability. By aggressively driving customers to our site, we have doubled the amount of account registrants, increased our conversion rate by 20%, and increased site visits by more than 15% – all in less than six months. The growing

awareness of our website, both internally and externally, has created many opportunities for us to market our products, services, and solutions through targeted approaches via referral sources, searches on our website, etc.

Email Marketing

Fastenal's email marketing program has been active for over four years and currently reaches more than 280,000 active email subscribers. One thing that makes our program unique is that customers receive personalized emails from their Fastenal sales representative, improving campaign effectiveness while helping to grow customer relationships. Our email marketing program also offers detailed reporting for our Government Sales and local sales teams, which will be crucial to measuring the success of the email marketing program.

Tradeshows/Events



Fastenal is committed to attending government tradeshows when applicable. Tradeshows we have attended and will continue to participate in are:

- NIGP
- Various Participating State shows, as opportunities arise
- Various Green/Sustainable and Supplier Diversity shows

We also host our own annual tradeshow events, which provide an excellent venue to showcase our government capabilities to thousands of employees, suppliers and customers in Indianapolis, IN and Orlando, FL.

Equal Employment Opportunity



Committed to diversity

Recognizing that our customers include large corporations, government agencies and prime contractors, Fastenal is committed to promoting diversity not only within our company, but across our supply chain.

It is the policy of the Company to provide equal opportunity/affirmative action to all employees and applicants for employment in accordance with all applicable federal, state, or local, executive orders, regulations and laws. We will not engage in any form of prohibited employment discrimination. This includes discrimination on the basis of race, color, gender, age, disability, genetic information, familial status, marital status, sexual orientation, citizenship status, religion, national origin, and all other protected classifications. This policy is applicable to all personnel actions and practices including, but not limited to, recruitment, selection, promotion, training, transfer, rates of pay, part-time work, and all other terms and conditions of employment.

Compliance with this policy is the personal responsibility of all employees, especially those who have responsibilities with regard to the employment process. Further, as an Equal Employment Opportunity/Affirmative Action Employer, we will commit the necessary time and resources to meet our responsibilities and obligations. Any employee who does not comply with this policy is subject to appropriate disciplinary action, up to and including discharge.

To ensure compliance with this policy, I have designated Melissa Skadson, Manager of Diversity and Compliance. Reyne Wisecup, Executive Vice-President Human Resources, will report directly to me on any action deemed necessary for action or compliance.

If you believe that you have received treatment contrary to this policy, immediately notify any Fastenal supervisor, manager, or the following individuals at the corporate offices at 2001 Theurer Blvd., Winona, MN 55987:

Reyne Wisecup

Executive Vice-President of Human Resources
(507) 453-8112

Melissa Skadson

Manager of Diversity and Compliance
(507) 453-8672

Signed,

A handwritten signature in blue ink, appearing to read 'Lee Hein', is written over a white background.

Lee Hein, President

Confidentiality

As an employee of the Company, you may be granted access to various types and forms of proprietary and confidential information generated or maintained by the Company. Due to the importance and economic value associated with this information, the Company believes it is necessary to inform employees about its use and security of this information.

During your employment, you will be provided and may gain access to information about products, persons, systems, functions and activities that are confidential and sensitive to the Company or its business relationships. This "Confidential Information" may include without limitation matters such as Company market strategies, business plans, trade secrets, potential business opportunities, procedures or processes, personnel and compensation information, customer or vendor information or contacts, prospect information, financial data, cost and sales data, source codes or programming techniques, Company or third party software and hardware including processes, designs or codes contained therein, and other types of information or data that is special, unique and valuable to the Company's business operation.

Employee acknowledges that the Company has taken reasonable measures to preserve the secrecy of its Confidential Information, including the signing of the Acknowledgement. It is understood that you will not, during or after the term of your employment, disclose to third parties or use for your own benefit the Company's Confidential Information. Upon the discontinuation of employment with the Company, regardless of reason, you will immediately deliver all Confidential Information to the Company. You understand and acknowledge that any work or work-product produced for the Company during the term of your employment will remain the property or "work-for-hire" of the Company and may be considered Confidential Information of the Company. Your failure to handle Confidential Information in this manner will cause irreparable harm to the Company, and the Company may seek injunctive relief or damages, including attorney's fees and costs, from you for violating these obligations.



Anti-Harassment

It is the policy of the Company to provide a workplace free from any type of prohibited harassment, retaliation for having reported prohibited harassment, or participation in any activity protected by applicable federal, state or local law. This includes, but is not limited to, harassment on the basis of race, color, creed, gender, religion, national origin or citizenship status, disability, age, veteran status, marital status, status with regard to public assistance, genetic information, sexual orientation, or any other possible governmentally protected individuals in your country. Harassing conduct by anyone in our workplace is prohibited and should be reported immediately. Harassment refers to behavior which is personally offensive, impairs morale and interferes with the work effectiveness of employees. Examples of such conduct include, but are not limited to, the following:

1. Demanding or requiring sexual favors as a condition of employment, continued employment, favorable work assignments, promotions, or favorable working conditions.
2. Repeated and unwelcome sexual advances or physical contact of a sexual nature which have the purpose or effect of unreasonable interference with work performance or which create an intimidating, hostile, or offensive work environment.
3. Repeated and unwelcome comments of a sexual nature (including dirty jokes, sexual innuendoes, obscenities) which have the purpose or effect of unreasonable interference with work performance or which create an intimidating, hostile, or offensive work environment.
4. Repeated and deliberate comments about any protected classification, for example, race, color, gender, disability, veteran status, which have the purpose or effect of unreasonable interference with work performance or which create an intimidating, hostile, or offensive work environment.
5. Repeated and unwelcome conduct such as drawing, distributing or creating materials or objects about protected classifications including, but not limited to, those described above which have the purpose or effect of unreasonable interference with work performance or which create an intimidating, hostile, or offensive work environment.

Engaging in or permitting prohibited harassment, as well as retaliating against anyone for reporting prohibited harassment will not be tolerated. Allegations of prohibited conduct will be investigated and appropriate disciplinary action up to and including termination will occur, if necessary. There will be no adverse action taken against individuals who allege violations of this policy or who participate in the investigation of such matters.



Reporting

Any individual who believes that she or he has received treatment contrary to this policy should immediately report such action to any Fastenal supervisor, manager or to an individual listed below:

Reyne Wisecup
Executive Vice-President
Human Resources
(507) 453-8112

Melissa Skadson
Manager of Diversity and
Compliance
(507) 453-8672

General Statement

The purpose of this policy is to explain and establish standards which will help assure good management and fair treatment for all employees. The Company has established some guidelines that must be followed in order for our organization to remain profitable and to promote safety, respect, responsibility, ethical behavior, and teamwork within our facilities. All employees of the Company need to understand and comply with the following guidelines.

Acceptable Conduct

Fastenal requires a high degree of personal integrity and responsibility from its employees. Acceptable conduct involves not only sincere respect for the rights and feelings of others but also the assurance that personal conduct avoids any action that might be harmful to the employee, other employees, the Company, or cause any unfavorable reaction from current or potential customers. Disruptive, fraudulent, or destructive behavior is unacceptable and is grounds for disciplinary action up to and including termination.

Professional Appearance

As an employee, it is your responsibility to dress in a professional manner when at work and when representing the Company away from work. Employees should be dressed appropriately and accordingly based on the responsibilities of the employee and the work performed. No shirts or hats promoting lewd or illegal behavior (drug related or vulgar messages, etc.) are allowed. Our appearance is a reflection of the service we provide our customers.

Show off your blue spirit!

Make getting ready in the morning a breeze by stocking up on your new favorite color! Fastenal has partnered with Excel Images to provide a full line of professional, durable workwear. Ask your supervisor if you're eligible for new hire discounts.

Check it out online: www.fastenalgear.com

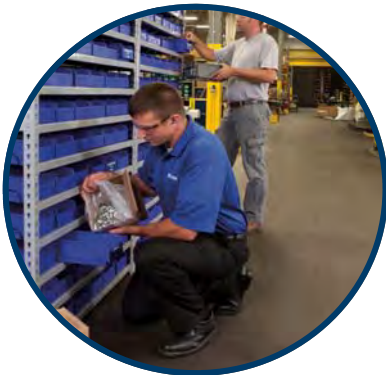


Attendance

1. Employees are expected to report to work 100% of the time, on time, for their scheduled shift unless they have informed the appropriate personnel. If employees are unable to make their scheduled shift, they must contact their department manager or appropriate person at least one hour prior to their scheduled shift to report their tardiness or absenteeism.
2. Employees are expected to be in their department and ready for work by their scheduled time. Request for vacation/time off should be done in writing with reasonable advance notice. Attendance is crucial in our work environment, and failure to report to work without a prior request for time off will lead to termination.
3. If employees do not report to work after two hours of their scheduled start time, and do not call in to report their tardiness or absenteeism, this will be considered a no call/no show. Two no call/no shows (consecutive or non-consecutive) during their tenure will be considered a voluntary resignation and a replacement for or elimination of their position will occur.

Job Safety

1. Personal safety, health, and prevention of work related injuries are of great importance to the Company. Management will provide to employees the proper and recommended instructions to use all tools (via video, online training, literature, classes, or on the job training). Additionally, all employees will be required to complete specific safety training. Employees will be informed of proper ways to lift and lower heavy objects. Any person involved in an injury or accident must report to a member of management immediately. Failure to follow these guidelines may result in termination.
2. No employee shall operate a forklift before completing the required Fastenal forklift (online) training and the driver skills test.
3. Certain behaviors will not be tolerated on Fastenal property. These include, but are not limited to, the following:
 - No passenger riding on forklifts
 - No climbing racks
 - No forms of horseplay (e.g., wrestling)
 - Do not throw products or any other objects
 - Do not ride on belts or conveyor
 - Do not ride pallet jacks
 - Do not jump across belts or rollers. Use the walkovers.



Time Sheets

Falsification of time sheets will result in immediate termination of employment.

Breaks

All employees must take all meal and rest breaks required by law. The regulations for each jurisdiction can be found on FastNet/Human Resources/Payroll. When an employee is on a paid break, he or she will not be allowed to leave the premises or go to his/her vehicle without the supervisor's knowledge or permission. Breaks should be taken in designated areas, and Fastenal property cannot leave the building (e.g., Telxons, tapeguns, RF units, etc.)

Discipline

An employee is issued a verbal or written warning when a standard of conduct is broken or company policies are not followed. Disciplinary actions can result from, but are not limited to, the following:

1. Poor work performance
2. Insubordination
3. Unexcused absence or repeated tardiness
4. Unsafe practices (e.g., throwing things)
5. Misuse of equipment (e.g., riding pallet jacks, raising other employees on the forklift, etc.)

Certain forms of improper conduct or violations of company policies may lead to immediate termination without warning.

The most severe forms of improper conduct, which typically warrant immediate termination without warning, are classified as gross misconduct. Gross misconduct termination can result from, but is not limited to, the following:

1. Theft (e.g., misuse of Company assets, timesheet falsification, fraudulent billing, misrepresentation of sales data, etc.)
2. Inappropriate physical contact or assault
3. Use, possession, sale or purchase of illegal drugs or alcoholic beverages on Company time
4. Severe safety violations
5. Malicious verbal threats or harassment

Phone Calls

Employees can use business phones for emergencies. If there is an emergency, incoming calls will be forwarded to the employee or the employee's manager. Nonemergency calls may be made by employees during break and/or lunch periods. During scheduled working hours, non-business related cell phone usage is permitted during breaks and/or lunch periods only.

Tobacco

Tobacco use of any kind is prohibited in all Fastenal facilities. Violations will result in disciplinary action.

Personal Belongings

Employees are responsible for the loss of personal property. Any Company premises and/or property, including materials contained inside such property, are subject to review at any time by authorized Company personnel.

Cleanliness

All Fastenal facilities are considered professional working environments and need to be maintained in the same manner. Please discard waste in the proper receptacles and recycle whenever possible. These are facilities that we all should take pride in.

Ethical and Legal Standard

The Company expects employees to be honest, moral, and perform duties in a highly ethical and legal manner. Employees are prohibited from participating in any illegal conduct while on Company premises, when using Company property, or during the performance of Company business activities. Employees shall avoid the following: conflicts of interest (divided loyalty between Company interests and personal interest of employee), receiving or participating in bribes or kickbacks, participating in anti-competitive arrangements (improper agreements with competitors, price fixing, splitting markets or similar activities intended to restrain trade), fraudulent use or entry of company records or accounts, use of Company funds to improperly influence political or government officials, the unauthorized and improper use of Company name, assets, or information for personal interests and any similar practices or activities that are contrary to the interests or related Policies of the Company.



Relationships with Vendors and Suppliers

The Company values its vendors and suppliers, and these relationships must remain professional and ethical at all times. Their graciousness is appreciated, but to maintain the integrity of our business, only the following items will be considered acceptable gifts for employees to receive from these contacts:

1. Gifts with a value of up to \$20 (e.g., t-shirt, polo shirt)
2. Gifts of business lunches and/or dinners

Any other offerings/gifts valued at more than \$20 (including outings, trips, tickets to events, etc.) will not be permitted or accepted by employees unless received in connection with an authorized promotional contest. The relationships Fastenal has with its vendors and suppliers are valuable and need to be maintained within these guidelines. Any activity contrary to this standard should be reported to the Human Resource Department.

Financial Records and Public Reports

It is the Company's policy that the information in its public communications, including any reports and documents filed with the Securities and Exchange Commission, be full, fair, accurate, timely, and understandable. All of the Company's business transactions must be completely and accurately recorded on the Company's books and records in accordance with generally accepted accounting principles and established Company financial and accounting policy. Off-balance sheet transactions, arrangements and obligations must not be executed, and unrecorded funds or assets must not be maintained, unless permitted by applicable law or regulation and disclosed in appropriate reports filed with the Securities and Exchange Commission to the extent required by applicable law or regulation. No employee may misrepresent, omit, or cause others to misrepresent or omit material facts about the Company to others, including the Company's outside auditors. The Company's Chief Executive Officer, Chief Financial Officer, Accounting Managers, Controller (if any) and other employees performing similar functions are required to maintain familiarity with the disclosure requirements applicable to the Company and to manage the Company's transactions and reporting systems in furtherance of this policy.



Be informed with the Fastenal
Quarterly Newsletter!

Reporting of Violations

Employees of the Company have several options in seeking compliance advice or reporting violations of these standards of conduct. Under normal circumstances, if an employee suspects that someone may have violated these standards of conduct or is in doubt about the best course of action in a particular circumstance, the employee should promptly contact his or her direct supervisor. In the rare case where it may not be appropriate for any employee to discuss a matter with his or her supervisor, or where an employee feels uncomfortable approaching his or her supervisor regarding a matter, the employee may instead discuss the matter with any member of the Company's management, any attorney in the Company's legal department, any member of the Company's Audit Committee, or the Chairman of the Board of the Company. The Company does not allow retaliation for reports of violations of these standards of conduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations regarding violations of these standards of conduct.

Applicability

Applicability to Non-Employee Officers and Directors: In addition to employees of the Company, these standards of conduct shall, to the extent applicable, be followed by any and all officers and directors of the Company who are not employees of the Company.

Waivers

Any waiver of these standards of conduct for directors or executive officers of the Company must be approved by the Board of Directors of the Company. Any such waiver shall be disclosed if and as required by law, the listing standards of the NASDAQ Stock Market or the rules and regulations of the Securities Exchange Commission.

Other

Information on other Company policies can be found in the Policy and Procedure Guide.



Fastenal's green initiatives are a logical evolution of our lean quality initiatives, which are focused on eliminating waste, creating efficiencies, and continuous improvement. Our green approach is to continuously improve our green credentials, with smart resource use and optimized distribution routes representing two key areas of focus contributing to overall company sustainability and responsibility. Our green approach is also aligned with our government contract compliance processes.

It is our mission to operate our business with minimal environmental impact and help our customers do the same by offering green products and services to help them meet their sustainability needs and goals. This mission comprises the following initiatives:

- Establish a green product offering from key suppliers for national distribution and clearly identify those products in our marketing materials, including our catalogs, brochures, promotions, and website
- Offer recycling programs for lamps, ballasts, mercury-containing devices, batteries, printer cartridges and PPE safety products ensuring safe disposal
- Partner with lighting specialists to assist in the planning, specification and implementation of retrofit projects
- Capture and report green consumption data from customer usage reports
- Receive electronic POs, invoices, and other business documents from suppliers and customers whenever possible
- Encourage our customers to sign up for Electronic Invoicing via fax, email, or the web to reduce paper usage
- Offer industrial vending solutions to help reduce wasteful product consumption and redundancy
- Provide local service and solutions with more than 2,600 store locations worldwide



Compressed Natural Gas Semi Fleet

WHAT WE ARE DOING TODAY

WASTE REDUCTION

- We reuse or recycle most of our incoming packaging materials (cardboard, polystyrene, shredded paper, air bags, etc.), we use composite pallets and totes for shipping, and our corrugated boxes used for repackaging are made from post-consumer recycled content
- Packaging reduction efforts at select distribution centers with our new automated storage and retrieval system (ASRS). Reusable totes are used in place of cardboard boxes with this new system. Further packaging reduction efforts are also underway for incoming, high volume products.
- We reuse pallets, repair when necessary, throughout distribution
- Increased use of e-mail which greatly reduces the amount of paper used, business records are digitized to minimize hard copy document storage, multifunctional devices (for faxing, printing and photocopying) reduce energy and paper usage.
- We purchase paper made from recycled content, and we recycle our office paper
- We encourage staff and visitors to recycle bottles, plastics and aluminum cans by placing recycling bins at strategic points throughout our stores, distribution centers, and offices
- We recycle our old computers as part of our IT replacement strategy
- We recycle our spent fluorescent lamps, ballasts, batteries and printer cartridges
- We have reduced the amount of our landfill waste by finding ways of recycling waste material, either in-house or in conjunction with others who are able to use the material constructively
- We have developed e-learning opportunities for employee training in conjunction with the Fastenal School of Business to reduce miles traveled
- Fastenal supports entities with a ban on single-use shopping bags by offering alternatives such as recycled paper bags and reusable bags
- Reduced paper usage with electronic accounting practices

ENERGY EFFICIENCY

- Our consumption of energy is also closely monitored and we take measures to ensure that it is not wasted
- Our distribution centers have been retrofitted with energy-efficient lighting systems
- Our headquarters have been retrofitted with LED lighting systems
- We have a HVAC Preventative Maintenance Program in which our HVAC systems are serviced semi-annually to increase the units' performance and overall efficiency which reduces energy consumption

FLEET SUSTAINABILITY

- Our consumption of fuel is closely monitored and we take measures to ensure that it is not wasted
- We utilize Global Information Systems to design truck routes that minimize miles traveled
- Introduced Compressed Natural Gas (CNG) vehicles in select locations to lower fuel costs and emissions



Fastenal
Green Product



Green Seal



Designed for the
Environment



EcoLogo



Carpet and Rug
Institute



Greenguard
Environmental Institute



Forest Stewardship
Council



Sustainable
Forestry Initiative



USDA
BioPreferred



EPA
WaterSense

For more information, contact gogreen@fastenal.com

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HOW DO YOU PREFER TO BUY? LOCAL STORE / PERSONAL SERVICE / INVENTORY SOLUTIONS / FASTENAL.COM



Equal Employment Opportunity/Affirmative Action Policy Statement

It is the policy of Fastenal Company to provide equal employment opportunity / affirmative action to all employees and applicants for employment in accordance with all applicable federal, state, or local, executive orders, regulations and laws. This includes Minnesota Statutes, Chapter 363. We will not engage in any form of prohibited employment discrimination. This includes: discrimination on the basis race, color, gender, age, disability, genetic information, familial status, marital status, gender identity, sexual orientation, citizenship status, religion, national origin, and all other protected classifications. This policy is applicable to all personnel actions and practices including, but not limited to, recruitment, selection, promotion, training, transfer, rates of pay, part time work, and all other terms and conditions of employment.

Compliance with this policy is the personal responsibility of all employees, especially those who have responsibilities with regard to the employment process. Further, as an Equal Employment Opportunity / Affirmative Action Employer, we will commit the necessary time and resources to meet our responsibilities and obligations. Any employee who does not comply with this policy is subject to appropriate disciplinary action, up to and including discharge.

To assure compliance with this policy, I have designated Melissa Skadson, Manager of Diversity and Compliance. Reyne Wisecup, Executive VP – Human Resources, will report directly to me on any action deemed necessary for action or compliance. If you believe that you have received treatment contrary to this policy, immediately notify any Fastenal supervisor, manager, or to the following individuals at the corporate offices at 2001 Theurer Boulevard, Winona, MN 55987:

NAME:	TITLE:	TELEPHONE NUMBER:
Reyne Wisecup	Executive VP-Human Resources	(507) 453-8112
Melissa Skadson	Manager of Diversity and Compliance	(507) 453-8672

A handwritten signature in cursive script, appearing to read "Lee Hein".

Lee Hein
President

Appendix I:

EVALUATION QUESTIONNAIRE/SELF CHECKLIST

Products/Pricing (40 Points)

1. Are all products and services being proposed listed under APPENDIX B on a corresponding electronic device? ☒Yes ☐No
2. Is there a price list for all available products/services on a corresponding electronic device?
☒Yes ☐No
3. Did you provide the warranty information that is offered by your company?
☒Yes ☐No
4. Will customers be able to verify they received the contract price?
☒Yes ☐No

Please explain how they would verify the contract price.

In order for agencies to utilize the contract, they will be required to fill out a participation form (a sample of which has been attached). The submission of this form will ensure that they receive the contracted pricing, which is administered through Fastenal's Contract Management system to ensure compliance.

When TCPN customers log in to fastenal.com with their account number, they will be able to see their contract price and discount from wholesale.

5. What payment methods do you accept?
A. _____ B. _____
Cash, check, credit card (at time of purchase only), EFT/ACH

Performance Capability (30 Points)

1. Did you indicate which states you can deliver to under APPENDIX E, Question 1?
☒Yes ☐No
2. What is the capability of your company to respond to emergency orders?
Please explain what actions you would take.
Fastenal Company can provide 24-hour, 7 days per week emergency service with local emergency phone numbers provided. Specific lengths of time for shipping emergency orders will depend on whether the product is stocked locally or whether it will come from one of our regional distribution centers or a manufacturer. Typically items stocked locally can be supplied to the customer within one hour. Items coming from either a regional distribution center or a manufacturer can be expedited and delivered within 24 hours.
3. Please provide your company's average fill rate over the last three fiscal years.

- 1) 98.9% 2) 99.0% 3) 99.1%

Listed fill rates are utilizing Fastenal's distribution network.

4. Please provide your company's average on time delivery rate over the last fiscal year.
Fastenal's on time delivery rate to TCPN customers in 2013 was 99.32%.
5. Does your company agree to the following statement on shipping charges "*All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing.*"? ☒Yes ☐No

Delivery and freight terms are as follows:

Buyer and Seller shall create and manage a local delivery schedule and expected lead time.

The standard delivery time for Core Items and Catalog Items shall be within 3 to 5 business days. The delivery time for Non-Catalog Items shall be quoted lead times.

All shipments for Core Items and Catalog Items will be Incoterms 2010 DDP Buyer's facilities except as stated below. Products that are Non-Catalog Items may be subject to freight charges if the Buyer's shipping account is not provided or for Catalog Items requiring a secondary process.

All shipments are subject to the Minimum Order requirement below. Product that is not a Core Item or Catalog Item may be subject to additional freight charges.

a. Local Delivery Fee: There is a \$4.80 minimum charge (or 4% of the invoice, with a \$25.00 maximum delivery fee) on all invoices under \$1,000. Invoices over \$1,000 or an accumulation of invoices totaling over \$1,000 for a single delivery will be exempt from the fee. Fees expressed for domestic orders with deliveries within the continental United States of America only.

b. Any Products requiring special freight arrangements (air freight, express ground, LTL special, etc.), including special orders and/or Buyer emergency requests, may be assessed freight charges. Emergency requests due to errors on the part of Seller stocking methods however do not constitute a Buyer emergency for which extra freight may be charged.

6. What is your company's return and restocking policy? Are there any applicable fees?
Please provide a brief description and example.

Fastenal must approve cancellation of any order prior to shipment. Orders for Special or Non-standard Products (not in the catalogue) may not be cancelled or returned. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. Except as otherwise agreed, Products will not be accepted for return after 30 days from the date of delivery to the Purchaser. Any cancellation or returns accepted after 30 days may be subject to a restocking fee and other charges, for which the Purchaser shall be responsible. All returns should be made to a Fastenal branch or as

otherwise designated by Fastenal, and must be in resalable condition and accompanied with an Invoice.

7. What is your company's history of meeting shipping and delivery timelines?

Each Fastenal store serves as a local, efficient source for a vast range of industrial and MRO supplies – backed by our global distribution and sourcing strength, yet free to tailor its inventory and service to meet the needs of local customers.

Standard order lead time for store-stocked items is 24 to 48 hours, but that only tells part of the story. Below are some of the distribution performance metrics that distinguish Fastenal in the industrial supply marketplace:

- 80% of all customer transactions are for products stocked in the local store or available at a regional distribution center, representing either same-day or 24 to 48 hour service.
- If a standard product is not already in stock at your local store, we can usually get it there on our own trucks before the next business day begins. 64% of store deliveries via Fastenal trucks from our distribution centers arrive before 7 a.m. (on scheduled truck days).
- If it's not available at a regional distribution center, our goal is to have it available in one of our master stocking locations, which can provide overnight service to the majority of our customers.
- Fastenal's stores and distribution centers carry more than half a billion dollars in inventory in order to provide fast delivery for local customers.

8. Will your company be able to meet the one year warranty guarantee as stated on page 16 under pricing? ☒Yes ☐No

If not, please explain.

N/A

9. Did you provide your company's information regarding your customer service department as per APPENDIX F, Question 15? ☒Yes ☐No

10. What is your company's current invoicing process?

Invoicing processes can be customized to meet the needs of each individual customer. We can invoice per order, weekly, or bi-weekly, via hard copy (mail), fax, email, or ecommerce.

11. Did you indicate how your company will implement the contract as per APPENDIX F, Question 20? ☒Yes ☐No

12. Did you provide your Dun & Bradstreet number? ☒Yes ☐No

13. Did you provide information on your website and on-line ordering capacities as per APPENDIX F, Question 14? ☒Yes ☐No

Qualification and Experience (20 points)

1. What is your company's reputation in the marketplace?
Fastenal had a humble start when it was founded in Winona, MN 1967. However, it eventually found its niche as a supplier that earns opportunities by exceeding customers' expectations for service – an approach later summed up with four words: *Growth Through Customer Service*. Guided by this motto, Fastenal grew to North America's largest fastener company and the world's most efficient distributor of OEM, MRO, and construction supplies. In 2014 Fastenal was named as #19 on Forbes list of the World's Most Innovative Companies. Our leadership has also been recognized, with CEO Will Oberton included on Harvard Business Review's 2014 list of the Best-Performing CEOs in the World and CFO Dan Florness ranked #9 on the Wall Street Journal's 2012 list of top financial executives.
2. What is the reputation of your products and/or services in the marketplace?
In 2013 Fastenal supplied products spanning nearly 1.45 million unique stock-keeping units (SKUs). Fastenal has over 4,500 corporately approved suppliers (over 13,000 suppliers total), including most of the leading industrial brands in the marketplace. Our Shared Investment Partners work closely with Fastenal's stores and customers to provide high quality products and supporting services and rapid, accurate product delivery.
3. Does your company have past experience with Region 4 ESC and/or TCPN members? If so, please list them and their contact information (Up to five).

City of San Diego Steve Fragoso, Procurement Analyst San Diego, CA 1-619-236-6158	City of Norfolk Debra Shelton, Programs Manager Norfolk, VA 1-757-823-1009
City of Denton Rebecca Hunter, Senior Buyer Denton, TX 1-940-349-7139	Lewisville ISD Mark Grossman, Senior Purchasing Manager Lewisville, TX 1-972-350-4746
Broward County Public Schools Brad Serna, Materials/Logistics Fort Lauderdale, FL 1-754-321-4701	
4. Did you list your key employees and their qualifications as per APPENDIX F, Question 6?
☒ Yes ☐ No
5. Did you provide the locations and sales persons who will work on the contract as per APPENDIX F, Question 6 & 7? ☒ Yes ☐ No
6. What past experience does your company have working in the government sector?
Fastenal has extensive experience providing products, services, and solutions to state and

local governments. Our flexible approach and physical presence within every state enables us to be attentive to the needs of state and local governments.

In 2000 Fastenal launched a concerted effort to better serve government agencies with the establishment of the Government Sales Team. Over the past decade, Fastenal has been awarded state or national cooperative contracts covering all 50 states. Government sales has driven some of the strongest growth at Fastenal and has matured to become a national sales department with leadership from the Executive Vice President of Sales Operations and Support, Directors of Government Sales (East, South and West), the Vice President of Contract Development and Support along with several leads to support departments such as Contract Management, Supplier Diversity, Green/Sustainability, Legal, Tax, Marketing, Product Development and Operations.

Fastenal's contract management system and internal controls ensure sound administration of the pricing, terms and conditions. Clear policies, procedures and work instructions ensure that all customers are properly tied to the proper agreement. Our Government Sales department is well organized, highly motivated and supported by Fastenal's 2,600+ stores nationwide.

Finally, Fastenal recognizes that the government marketplace is unique and complex, and we fully understand that we must give specialized and specific attention to each customer to ensure success. This is why Fastenal has created a leadership position within our government sales team to marshal the TCPN contract through the implementation phase and foster the long-term growth of the contract.

7. Did you provide information on working with cooperative purchasing programs as per APPENDIX F, Question 24? ☒Yes ☐No
8. Did you provide information on any litigation, bankruptcy, reorganization, etc. as per APPENDIX F, Question 16? ☒Yes ☐No
9. Did you submit at least 10 customer references relating to the products and services within this RFP, with an equal representation coming from K12, Higher Education and City/County/non-profits entities as per APPENDIX F? ☒Yes ☐No
10. Did you list and submit all applicable MWBE, HUB, DVBE, small and disadvantaged business certifications that your company holds? ☐Yes ☒No
Fastenal holds no such certifications.
11. Did you list and submit all applicable M/WBE, HUB, DVBE, small and disadvantaged business and other diverse certifications that your company holds? ☐Yes ☒No
Fastenal holds no such certifications.

Value Add (10 Points)

1. Did you submit a marketing plan as per APPENDIX F, Question 17?
☒Yes ☐No
2. Did you provide a national sales training plan as per APPENDIX F, Question 21?
☒Yes ☐No

Appendix B:

PRODUCT / SERVICES SPECIFICATIONS

It is the intention of Region 4 ESC to establish an annual contract with highly qualified Vendor(s) for **Maintenance, Repair and Operations (MRO) Supplies & Related Services** on a national level. Vendor(s) shall, at the request of Region 4 ESC and/or TCPN members, provide these covered products and associated services under the terms of this RFP and the CONTRACT TERMS AND CONDITIONS.

The scope of this RFP shall include but not limited to the following Product Categories:

- Adhesives, Sealants & Tape
- Air Filters
- Appliances
- Building Materials
- Cabinets, Countertops & Related Materials
- Electrical Supplies & Equipment
- Fasteners, Hardware, Hand Tools
- General Maintenance Supplies
- HVAC Supplies
- Ice Machines & Refrigeration
- Irrigation Equipment & Supplies
- Janitorial Supplies
- Landscaping Supplies
- Lighting, Ballasts, and Bulbs
- Material Handling & Storage Supplies
- Motors, Pumps
- Outdoor Garden Supplies & Equipment
- Paint, Equipment & Supplies
- Plumbing Supplies
- Pneumatic Tools
- Power Tools & Accessories
- Raw Materials
- Safety & Security Related Items
- Swimming Pool Chemicals
- Tools (general purpose & machine)
- Window Treatments
- Services (installation, glass cutting, rental, etc)
- Welding & Soldering

Supplies

Respondents are encouraged to offer everything in their entire catalogue that falls within the scope of MRO Supplies. Region 4 ESC reserves the right to reject parts of offerings that it deems to fall outside the scope of the RFP. All products offered shall be new, unused and of the latest design and technology.

Please see Appendix C.

Related Services

Respondents should submit auditable pricing for any and all services offered as indicated in Appendix C of this RFP

CONFIDENTIAL

Ordering Capabilities

- The successful bidder shall offer an electronic on-line catalogue, and have a fully operational website that enables on-line ordering by the individual member agencies. purchasing authorization limits; ability to download order invoice history reports. [Fastenal.com features nearly 400,000 products presented online for browsing and purchasing. A powerful search engine which includes attributes and standard fastener terminology has been developed for more accurate search results. Users can register to see their Custom Pricing as well as view the inventory in their closest Fastenal store. This fully transactional website allows for product search, traceability, and order submittal. Orders can be picked up at the local Fastenal store or delivered directly by one of our Fastenal Customer Service Representatives from the local store.](#)

[System Administrators can manage users by setting purchase limits and creating order approval workflows. In addition, administrators can retrieve usage and cost savings reports to more effectively manage their overall business as well as vending and FMI solutions.](#)

- The successful bidder shall have items either delivered to the customer's jobsite or available for pickup at the closest Supplier Retail location
[With over 2,300 stores in the United States – far more than any other industrial supplier – we're located within 20 miles of nearly 100% of our current and potential customer locations. Items can be delivered directly to the customer or made available for pickup, depending on the customer's needs.](#)
- Vendors that have retail stores shall have appropriate procedures in place to ensure contract pricing on all product lines to member agencies.
[In order for agencies to utilize the contract, they will be required to fill out a participation](#)

form (a sample of which has been attached). The submission of this form will ensure that they receive the contracted pricing, which is administered through Fastenal's Contract Management system to ensure compliance.

- Hourly service schedules, as applicable shall be included in the proposal. Fastenal currently operates 2,354 stores in the United States. Standard store operating hours are 7:00am to 5:00pm, Monday through Friday. Emergency contact information can be provided to reach local Fastenal representatives outside of standard store hours.

Product/Price Updates

- New products/services may be added during the term of the contract upon written request providing it is within the original scope of this RFP. All requests are subject to review and approval by Region 4 ESC and/or TCPN. At no time is the Supplier allowed to unilaterally change products or pricing.
- Successful bidders shall be responsible for notifying TCPN of all obsolete and discontinued products in writing and in a timely manner.

References

Provide a minimum of ten (10) customer references for product and/or services of similar scope dating within the past three (3) years. Please try to provide an equal number of references for K12, Higher Education and City/County entities. Provide the following information for each reference:

Entity Name
Contact Name and Title
City and State
Phone Number
Years Serviced
Description of Services
Annual Volume

City of San Diego

Steve Fragoso, Procurement Analyst
San Diego, CA
1-619-236-6158
3+ Years
MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party. This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

City of Norfolk

Debra Shelton, Programs Manager
Norfolk, VA
1-757-823-1009
3+ Years
MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party. This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

City of Denton

Rebecca Hunter, Senior Buyer
Denton, TX
1-940-349-7139
3+ Years
MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party. This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Lewisville ISD

Mark Grossman, Senior Purchasing Manager

Lewisville, TX

1-972-350-4746

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

University of Wisconsin

Brad Bauman, Procurement Specialist

Madison, WI

1-608-265-1462

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Ohio State University

Sherry Huegel, Project Manager

Columbus, OH

1-614-688-4415

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Broward County Public Schools

Brad Serna, Materials/Logistics

Fort Lauderdale, FL

1-754-321-4701

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Fulton County Schools

Paul Collumn, Parts Manager

Atlanta, GA

1-770-740-7070

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Texas State University – San Marcos

Gary Gagnon, Head Inventory Clerk

San Marcos, TX

1-512-245-8531

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

State of Indiana

Angelina Hackett, Vendor Contract Manager

Indianapolis, IN

1-317-234-8758

3+ Years

MRO Supplies

Due to confidentiality we do not disclose customer specific information to any other party.

This same confidentiality will, of course, be extended to Region 4 ESC and all participating agencies.

Appendix G:

VALUE ADD

Please include any additional products and/or services not included in the scope of the solicitation that you think will enhance and/or add value to this contract for participating agencies.

Inventory Management

The foundation of our flexible inventory management programs is our local presence – understanding your usage patterns and production needs, stocking product locally and regionally to *anticipate* your demand, and continually providing just the right amount, when and where it's needed.

Key benefits:

- Up to daily inventory turns to support your inventory reduction goals.
- Our ability to deliver to the point of use means less inventory build-up, fewer inventory touches.
- Emergency inventory can typically be delivered within the hour.
- Bar-coded inventory, with accurate item tracking by location or GL code.
- Reduced paperwork via a touch-less reordering process (blanket P.O.s, P-Cards, etc.).
- FMI bin-stock program – free bins based on clear, up-front service agreement.

Core Inventory Management Programs

Our local presence enables us to actively manage a custom program for each of your facilities, balancing local needs and corporate goals. Although each implementation is unique, here's a look at some of our core capabilities:

Dock-to-Dock

Product is delivered by Fastenal personnel, on Fastenal trucks, according to a pre-determined schedule – a good fit for union shops, high-security environments, and other sites with limited access.

Bin-Stock/Line-Stock

Local Fastenal personnel organize and bar-code your stock areas, work with you to establish min/max reorder triggers, and continuously monitor and replenish your stocking locations to stay within your target inventory levels.

- | | |
|-----------------------------|--------------------------------|
| – Daily Delivery | – Labeled, Bar-Coded Inventory |
| – Dedicated Store Inventory | – Material Handling Functions |
| – Dedicated Specialists | – Receiving Functions |
| – Detailed Usage Reports | – Storeroom Organization |
| – Inventory Management | |

In-Plant Location

Looking to make our local service even more local? If it makes business sense, we can implement a point-of-sale location (essentially a Fastenal “store”) within your facility. Features include on-site inventory, dedicated Fastenal labor, and Fastenal-managed inventory to the point of use.

- CAD Layout for Storeroom
- Consolidated Invoicing
- Continuous Improvement Plan
- Cost Savings Documentation
- Custom Software
- Dedicated Store Inventory
- Disbursement Functions
- EFT/EDI
- Fastenal Scanning System
- Inventory Management
- Labeled, Bar-Coded Inventory
- Material Handling Functions
- On-Site Inventory Specialists
- On-Site Product/Fastener Training
- Parts Kitting/Custom Packaging
- Receiving Functions
- Sole Source Supply
- Storeroom Organization
- Tool Crib Management
- Tool Repair, Regrind & Calibration
- Usage/Accountability Reports
- Vending Solutions

Jobsite Solutions

As a solution for remote projects (construction, outages, etc.), we can tailor a jobsite trailer, Conex, or gang box managed by local Fastenal personnel and custom-stocked with needed supplies. No matter where the job takes you, Fastenal can keep the product flowing.

Fastenal Managed Inventory (FMI)

Through our FMI bin-stock program, Fastenal provides a wide variety of professional bins, shelves and drawers at no cost as part of a clearly defined minimum spend commitment. Backed by local Fastenal store service, it's a turn-key solution to improve organization and productivity.

- Bins, drawers, shelving, etc. are provided and managed by the servicing Fastenal store.
- Labels are vinyl, washable and removable, and include a clear product description and image.
- The FMI service agreement provides a clear understanding of the program and expectations – no surprises or hidden agendas.



WE ARE WHERE YOU ARE.

FASTENAL®

FAST SolutionsSM

Fastenal Automated Supply Technology

Fastenal's industrial vending solutions provide point-of-use access to supplies, while generating detailed usage reporting to drive consumption reduction. The machines are provided, installed, maintained and replenished by local Fastenal personnel. There are no long-term commitments or capital expenses, only a low annual software hosting fee and a minimum monthly spend requirement.

- Reduce Consumption – typically 25–35% as a result of the machines' controls and reporting.
- Increase Productivity – by making product immediately available, 24/7, near the workers who need it.
- Automate Ordering – your local Fastenal store monitors activity online and makes sure the machines are always filled (no paperwork or labor required).

Which Solution Is Right for You?



FAST 5000

Utilized by thousands of customers to track and control a vast range of industrial consumables.

Lockers

Can be added to a base FAST 5000/3000 or a stand-alone controller to vend larger items and manage assets. Available in 3, 12, 18, 27, 30 and 36 door options.

FAST CTSM Machines

Designed to dispense inserts and round tools (individually or in packaged amounts). Low-cost and compact, they represent an opportunity to install point-of-use solutions throughout the shop for increased productivity.

FAST 3000

Offers the same functionality as the FAST 5000 but with a more compact footprint and lower spend requirement.

FAST BevSM

Makes hydration products easily accessible and documents that employees are receiving proper hydration throughout the day.

**Subject to local & state restrictions*

FAST 10000SLSM

Utilizes sensor-driven modules (shelves, drawers, cabinets and bins) to control a large volume and variety of parts. The user simply enters his/her ID and, if authenticated, takes what's needed. The system automatically senses and reports the details of the transaction. Not pictured: drawer only units & locker units.



As an extension of our automated supply solutions, Fastenal offers web-based crib management software known as FAST Crib. This solution provides enterprise-wide visibility of your inventory and stocking locations, your asset status and locations, as well as your maintenance management planning cycle. It also serves as an advanced e-procurement platform to manage *all* of your suppliers.

The user-friendly dashboard supports multiple classes of users within your organization – tool crib attendants, maintenance team, engineering, purchasing and requisitioning, as well as supervisors at any level.

The 3 Core Modules of FAST Crib:

Inventory & Asset Management

- Easily load and maintain a database of all items (including non-Fastenal items)
- Support for min/max and kanban
- Dashboard displays on-hand, on-order, min/max by location
- Track usage to specific users and cost centers

Procurement

- Manage *all* of your suppliers
- Create RFQs with deadlines and supporting information
- Issue POs and create requisitions
- View real-time status of orders and updates
- Establish automatic order replenishment for critical items (eliminate stock outs)
- Manage spot buys
- Add supplier and OEM databases with contract pricing
- Pre-loaded with a 325,000-SKU Fastenal database

Maintenance Management

- Set preventative maintenance schedules
- Track true costs of your maintenance cycle, including labor, parts and downtime
- Time-stamp digital signatures for compliance and reporting purposes
- Create a digital library of OEM manuals, schematics and warranty tracking
- Log hours for critical items like gauges and inspection items
- View repair history by asset and work order





Vendor Orientation

Respondent companies must commit to attending a vendor orientation meeting at TCPN's offices should they be awarded a contract with Region 4 ESC through this RFP. Vendor orientation meetings are meant to establish a good relationship with awarded vendors and help to ensure compliance and effective administration over the life of the contract.

Respondents should indicate below what date they would like to have their vendor orientation and who the participants will be. TCPN highly recommends that the individuals who will handle contract management, reporting and accounting, and marketing all come to the vendor orientation.

Vendor orientations for this RFP will be held between March 2 – 25, 2015.

If awarded, our company will plan to attend vendor orientation on March 11, 2015 .

Potential attendees will include:

Zach Wise, TCPN Contract Manager
Ryan Ash, Government Sales Director - West
Aaron Leyendecker, Government Sales Director - South
Bill Franssen, Government Sales Director - East
Kevin Fitzgerald, Director of Sales

Signature: _____

A handwritten signature in black ink, appearing to read "Kevin Fitzgerald", is written over a horizontal line.

Date: 12/08/2014

Appendix H:

ADDITIONAL REQUIRED DOCUMENTS

- DOC #1 Clean Air and Water Act
- DOC #2 Debarment Notice
- DOC #3 Lobbying Certification
- DOC #4 Contractors Requirements
- DOC #5 Antitrust Certification Statement

FOR VENDORS INTENDING TO DO BUSINESS IN NEW JERSEY:

- DOC #6 Ownership Disclosure Form
- DOC #7 Non-Collusion Affidavit
- DOC #8 Affirmative Action Affidavit
- DOC #9 Political Contribution Disclosure Form
- DOC #10 Stockholder Disclosure Form

New Jersey vendors are also required to comply with the following New Jersey statutes when applicable:

All anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38.

Compliance with Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act.

Compliance with Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26

Bid and Performance Security, as required by the applicable municipal or state statutes.

DOC #1

Clean Air and Water Act

I, the Vendor, am in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970, as Amended (42 U.S. C. 1857 (h), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15 as required under OMB Circular A-102, Attachment O, Paragraph 14 (1) regarding reporting violations to the grantor agency and to the United States Environment Protection Agency Assistant Administrator for the Enforcement.

Potential Vendor: Fastenal Company

Title of Authorized Representative: Executive Vice President - Sales

Mailing Address: P.O. Box 1244, Winona, MN 55987

Signature: 

DOC #2

Debarment Notice

I, the Vendor, certify that my company has not been debarred, suspended or otherwise ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension", as described in the Federal Register and Rules and Regulations.

Potential Vendor: Fastenal Company

Title of Authorized Representative: Executive Vice President - Sales

Mailing Address: P.O. Box 1244, Winona, MN 55987

Signature: 

LOBBYING CERTIFICATION

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all sub-recipients shall certify and disclose accordingly.



Signature of Respondent

12/08/2014

Date

CONTRACTOR CERTIFICATION REQUIREMENTS

Contractor's Employment Eligibility

By entering the contract, Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA), and all other federal and state immigration laws and regulations. The Contractor further warrants that it is in compliance with the various state statues of the states it is will operate this contract in.

Participating Government Entities including School Districts may request verification of compliance from any Contractor or subcontractor performing work under this Contract. These Entities reserve the right to confirm compliance in accordance with applicable laws.

Should the Participating Entities suspect or find that the Contractor or any of its subcontractors are not in compliance, they may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

The offeror complies and maintains compliance with the appropriate statutes which requires compliance with federal immigration laws by State employers, State contractors and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.

Contractor shall comply with governing board policy of the Region 4 ESC Participating entities in which work is being performed.

Fingerprint and Background Checks

If required to provide services on school district property at least five (5) times during a month, contractor shall submit a full set of fingerprints to the school district if requested of each person or employee who may provide such service. Alternately, the school district may fingerprint those persons or employees. An exception to this requirement may be made as authorized in Governing Board policy. The district shall conduct a fingerprint check in accordance with the appropriate state and federal laws of all contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the district. Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

The offeror shall comply with fingerprinting requirements in accordance with appropriate statutes in the state in which the work is being performed unless otherwise exempted.

Contractor shall comply with governing board policy in the school district or Participating Entity in which work is being performed.

Business Operations in Sudan, Iran

In accordance with A.R.S. 35-391 and A.R.S. 35-393, the Contractor hereby certifies that the contractor does not have scrutinized business operations in Sudan and/or Iran.



Signature of Respondent

12/08/2014

Date

DOC #5

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Vendor Fastenal Company


Address 2001 Theurer Blvd.

Winona, MN 55987

Phone (507) 313-7206

Fax (507) 494-6330

Offeror




Signature

Zach Wise
Printed Name

TCPN Manager
Position with Company

Authorizing Official



Signature

Kenneth R. Nance
Printed Name

Executive Vice President - Sales
Position with Company

DOC #6

OWNERSHIP DISCLOSURE FORM
(N.J.S. 52:25-24.2)

Pursuant to the requirements of P.L. 1999, Chapter 440 effective April 17, 2000 (Local Public Contracts Law), the offeror shall complete the form attached to these specifications listing the persons owning 10 percent (10%) or more of the firm presenting the proposal.

Company Name: Fastenal Company

Street: 2001 Theurer Blvd.

City, State, Zip Code: Winona, MN 55987

Complete as appropriate:

I _____, certify that I am the sole owner of _____, that there are no partners and the business is not incorporated, and the provisions of N.J.S. 52:25-24.2 do not apply.

OR:

I _____, a partner in _____, do hereby certify that the following is a list of all individual partners who own a 10% or greater interest therein. I further certify that if one (1) or more of the partners is itself a corporation or partnership, there is also set forth the names and addresses of the stockholders holding 10% or more of that corporation's stock or the individual partners owning 10% or greater interest in that partnership.

OR:

I _____ Kenneth R. Nance _____, an authorized representative of Fastenal Company _____, a corporation, do hereby certify that the following is a list of the names and addresses of all stockholders in the corporation who own 10% or more of its stock of any class. I further certify that if one (1) or more of such stockholders is itself a corporation or partnership, that there is also set forth the names and addresses of the stockholders holding 10% or more of the corporation's stock or the individual partners owning a 10% or greater interest in that partnership.

(Note: If there are no partners or stockholders owning 10% or more interest, indicate none.)

Name	Address	Interest
T. Rowe Price Associates, Inc.	100 East Pratt Street, Baltimore, MD 21202	10.41%

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

12/08/2014

Date



Executive Vice President - Sales

Authorized Signature and Title

DOC #7

NON-COLLUSION AFFIDAVIT

Company Name: Fastenal Company

Street: 2001 Theurer Blvd.

City, State, Zip Code: Winona, MN 55987

State of ~~New Jersey~~ Minnesota

County of Winona

I, Kenneth R. Nance of the Winona
Name City

in the County of Winona, State of Minnesota
of full age, being duly sworn according to law on my oath depose and say that:

I am the Executive Vice President - Sales of the firm of Fastenal Company
Title Company Name

the offeror making the Proposal for the goods, services or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said offeror 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 proposal, and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the Solicitation Number 14-21 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 goods, services or public work.

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

Fastenal Company
Company Name

Kenneth R. Nance Executive Vice President - Sales
Authorized Signature & Title

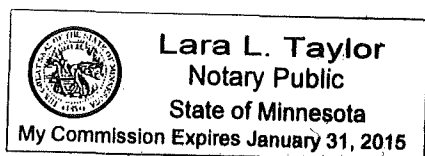
Subscribed and sworn before me

this 8 day of December, 2014

Lara L. Taylor
Notary Public of ~~New Jersey~~ Minnesota

My commission expires 1/31, 2015

SEAL



AFFIRMATIVE ACTION AFFIDAVIT (P.L. 1975, C.127)

Company Name: Fastenal Company

Street: 2001 Theurer Blvd.

City, State, Zip Code: Winona, MN 55987

Proposal Certification:

Indicate below your compliance with New Jersey Affirmative Action regulations. Your proposal will be accepted even if you are not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photo copy of their Federal Letter of Affirmative Action Plan Approval

OR

2. A photo copy of their Certificate of Employee Information Report

OR

3. A complete Affirmative Action Employee Information Report (AA302)

Public Work – Over \$50,000 Total Project Cost:

A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form

AA201-A upon receipt from _____
(Agency)

B. Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

11/14/14
Date

 Mgr of
Authorized Signature and Title Diversity
Compliance

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE

PROCUREMENT, PROFESSIONAL AND 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. 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, sex, affectional or sexual orientation. Such action shall include, but not be 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 non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement 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, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of 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 workers' representative of the contractor's commitments 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 P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including 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, sex, affectional or sexual orientation, 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 personnel testing conforms with the principles of job-related testing, as established by the

statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

Signature of Procurement Agent

DOC #9

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

CERTIFICATE OF EMPLOYEE INFORMATION REPORT

RENEWAL

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of

15-JUN-2012 to 15-JUN-2015

**FASTENAL COMPANY
2001 THEURER BLVD.
WINONA**

MN 55987



A handwritten signature in black ink, appearing to read "Andrew P. Sidamon-Eristoff".

Andrew P. Sidamon-Eristoff
State Treasurer

Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (www.nj.gov/dca/lgs/lfnslfnmenu.shtml).

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at www.nj.gov/dca/lgs/p2p. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used “as-is”, subject to edits as described herein.
 - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract. (See Local Finance Notice 2006-7 for additional information on this obligation) A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. **NOTE: This section is not applicable to Boards of Education.**

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county. The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs). When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure. Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report. The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement. The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act. The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law.

NOTE: This section does not apply to Board of Education contracts.

* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Required Pursuant To N.J.S.A. 19:44A-20.26

This form or its permitted facsimile must be submitted to the local unit no later than 10 days prior to the award of the contract.

Part I – Vendor Information

Vendor Name:	Fastenal Company		
Address:	2001 Theurer Blvd.		
City:	Winona	State: MN	Zip: 55987

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A. 19:44A-20.26 and as represented by the Instructions accompanying this form.

Signature

Kenneth R. Nance

Executive Vice President - Sales

Printed Name

Title

Part II – Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

☐ Check here if disclosure is provided in electronic form.[illegible]☐ Check here if the information is continued on subsequent page(s)

Continuation Page

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Required Pursuant To N.J.S.A. 19:44A-20.26

Page ____ of ____

Vendor Name:

[illegible]☐ Check here if the information is continued on subsequent page(s)

**List of Agencies with Elected Officials Required for Political Contribution
Disclosure
N.J.S.A. 19:44A-20.26**

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD
FROM WWW.NJ.GOV/DCA/LGS/P2P A COUNTY-BASED,
CUSTOMIZABLE FORM.**

DOC #10

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

☒ I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

☐ I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

☐ Partnership

☒ Corporation

☐ Sole

Proprietorship

☐ Limited Partnership

☐ Limited Liability Corporation



☐ Limited Liability Partnership

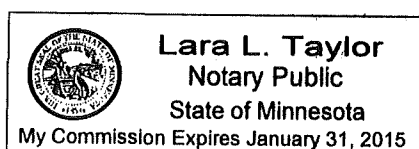
☐ Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name: T. Rowe Price Associates, Inc.	Name:
Home Address: 100 East Pratt Street Baltimore, MD 21202	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:

Subscribed and sworn before me this <u>8</u> day of <u>December</u> , 20 <u>14</u>	 (Affiant)
(Notary Public) 	Kenneth R. Nance, Executive Vice President - Sales (Print name & title of affiant)
My Commission expires: <u>1/31/2015</u>	(Corporate Seal)



ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- ☐ We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.

(Note: All information believed to be a trade secret or proprietary must be listed below. It is further understood that failure to identify such information, in strict accordance with the instructions below, will result in that information being considered public information and released, if requested under the Public Information Act.)

- ☒ We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must specify which exception(s) are applicable and provide detailed reasons to substantiate the exception(s).)

12/08/2014

Date



Executive Vice President - Sales

Authorized Signature & Title

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

Fastenal Company declares the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

Tab 3 - Appendix F

- Question 9
 - Volume Incentive Rebate
 - Core Item List
- Question 15
 - Public Sector Sales
- Question 32
 - Anticipated Revenue

Tab 5 - Appendix B

- Related Services
 - FAST Solutions Agreement
 - FAST Crib Agreement
 - FMI Agreement

Tab 7 - Appendix C

- Electronic Price Lists
 - Core Item List
 - Fastenal Catalog
 - TCPN - Schedule of Discounts for Catalog Items

EXHIBIT B- SUPPLEMENTAL PURCHASE PROVISIONS

CITY OF AUSTIN PURCHASING OFFICE

The following Supplemental Purchasing Provisions apply to this contract:

1. **INSURANCE:** Insurance is required for this contract.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.
 - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
 - (2) The policy shall also include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage

EXHIBIT B- SUPPLEMENTAL PURCHASE PROVISIONS

CITY OF AUSTIN PURCHASING OFFICE

- (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
 - iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
 - (1) The policy shall include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
 - C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.
2. **TERM OF CONTRACT:**
- A. The Contract shall be in effect for an initial term of 9 months and may be extended thereafter for up to two additional 12 month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
3. **QUANTITIES:** The quantities listed herein are estimates for the period of the Contract. The City reserves the right to purchase more or less of these quantities as may be required during the Contract term. Quantities will be as needed and specified by the City for each order. Unless specified in the solicitation, there are no minimum order quantities.
4. **DELIVERY REQUIREMENTS:**
- | | |
|--|----------------------------------|
| Location: | Days: |
| See departmental purchase order for delivery | 1 business day/next day delivery |
| _____ | _____ |
| _____ | |
| _____ | |
- A. Delivery is to be made within 1 business day after the order is placed (either verbally or in writing). All orders must be shipped complete unless arrangements for partial shipments are made in advance.
 - B. The Contractor shall provide, with each delivery, a Shipping or Delivery Ticket showing the description of each item, quantity, and unit price.
 - C. The Contractor shall confirm the quantity to be shipped on all orders within two (2) hours of notification by phone from the City.
 - D. Unless requested by the City, deliveries shall not be made on City-recognized legal holidays (see paragraph 51 in Section 0300).
5. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

EXHIBIT B- SUPPLEMENTAL PURCHASE PROVISIONS

CITY OF AUSTIN PURCHASING OFFICE

- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	See specific departmental purchase order for billing address
Attn:	
Address	
City, State Zip Code	

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

6. **RESTOCKING FEES:**

- A. The Contractor may bill the City restocking fees (if included in their Offer) for parts that are ordered by the City under the contract and returned for refund. The Contractor is not obligated to accept for refund any part that is not resalable and/or not in the same condition as when purchased.
- B. Restocking fees may be charged to the City when multiple parts or groups of parts are returned for refund at one time due to the City inventory warehouse cleaning, unless these parts are returned at an annual pre-arranged date. The date for the annual return shall be mutually agreed upon between the City and the Contractor.

7. **HAZARDOUS MATERIALS:**

- A. If this Solicitation involves hazardous materials, the Offeror shall furnish with the Offer Material Safety Data Sheets (MSDS), (OSHA Form 20), on all chemicals and hazardous materials specifying the generic and trade name of product, product specification, and full hazard information including receiving and storage hazards. Instructions, special equipment needed for handling, information on approved containers, and instructions for the disposal of the material are also required.
- B. Failure to submit the MSDS as part of the Offer may subject the Offer to disqualification from consideration for award.
- C. The MSDS, instructions and information required in paragraph "A" must be included with each shipment under the contract.

8. **RECYCLED PRODUCTS:**

- A. The City prefers that Offerors offer products that contain recycled materials. When a recycled product is offered by the Offeror, the Offeror must state in their Offer the percentage of the product that is recycled and must include a list of the recycled materials that are contained in the product.
- B. The recycled content of paper products offered to the City shall be in accordance with the Federal Environmental Protection Agency's Recycled Product Procurement Guidelines. These guidelines are available at <http://www.epa.gov/cpg/>.

EXHIBIT B- SUPPLEMENTAL PURCHASE PROVISIONS

CITY OF AUSTIN PURCHASING OFFICE

- C. Contract award for paper products will be made for recycled products unless the cost is more than 10% above the lowest price for non-recycled paper products as required in the City's Comprehensive Recycling Resolution.

9. **PUBLISHED PRICE LISTS:**

- A. Offerors may quote using published price lists in the following ways:
- i. Offerors may quote one discount from a Published Price List for all offered items to be covered in the Contract. The discount must remain firm during the life of the Contract.
 - ii. Offerors may quote their dealer cost, plus a percentage markup to be added to the cost. The percentage markup must remain firm during the life of the contract.
- B. Two (2) copies of the list upon which the discounts or markups are based shall be submitted with the Offer. All price lists identified in the Offer shall clearly include the Offeror's name and address, the solicitation number, prices, title of the discount and number, and the latest effective date of the price list. If the Offer is based on a discount or markup on a manufacturer's price list, the price list must also include the manufacturer's name, the manufacturer's latest effective date, and the manufacturer's price schedule. All price lists submitted become part of the Offer.
- C. The price list may be superseded or replaced during the Contract term only if price revisions are the result of the manufacturer's official price list revision. Written notification from the Contractor of price changes, along with two (2) copies of the revised list must be submitted to the Buyer in the Purchasing Office with the effective date of change to be at least 30 calendar days (30 unless a different period is inserted) after written notification. The City reserves the right to refuse any list revision.
- D. The discounts or markups on equipment rental, material, supplies, parts, and contract services shall be fixed throughout the term of the Contract, and are not subject to increase.
- E. Failure to submit written notification of price list revisions will result in the rejection of new prices being invoiced. The City will only pay invoices according to the last approved price list.

10. **BUY AMERICAN ACT – SUPPLIES:** (applicable to certain Contracts with Federal funding).

- A. In accordance with applicable Federal Regulations, the City is restricted from purchasing supplies that are not domestic end products, for use within the United States. Offerors shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the Buy American Act Certificate. (See Section 0300, paragraph 55 for additional guidelines).
- B. Offerors shall sign and return with their Offer, the **Buy American Act Certificate** included in the Solicitation.

11. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Claudia Rodriguez

Email: ClaudiaR.Rodriguez@austintexas.gov

Phone: 512-974-2959



Since 1967

2001 Theurer Boulevard
Winona, MN 55987

RESELLER DISTRIBUTION AGREEMENT

THIS AGREEMENT made on 5/5/15 between EAGLE PRIDE SUPPLY, LLC (hereinafter "EAGLE PRIDE SUPPLY, LLC" of 13200 Pond Springs Rd Suite F-42, Austin, TX, 78729 and Fastenal Company (hereinafter "Fastenal") of 2001 Theurer Boulevard, Winona, MN 55987.

WHEREAS, Fastenal desires to enter into a relationship with EAGLE PRIDE SUPPLY, LLC to allow for the effective distribution of products and services to EAGLE PRIDE SUPPLY, LLC's customers;

WHEREAS, the parties have agreed to perform work and services under this Agreement to distribute products and services to EAGLE PRIDE SUPPLY, LLC's customers.

NOW THEREFORE, the parties, for valuable consideration and mutual promises contained herein, agree to be bound as follows:

1. EAGLE PRIDE SUPPLY, LLC Responsibilities

EAGLE PRIDE SUPPLY, LLC shall undertake the following activities:

Demand generation and order fulfillment of products supplied to customers
Collections and AR activity, including sales tax administration, with customers

2. Fastenal Responsibilities

Fastenal shall undertake the following activities:

Provide recommendations to EAGLE PRIDE SUPPLY, LLC with regard to products and services to be supplied to end users.

Assist EAGLE PRIDE SUPPLY, LLC in proposal generation.

Assist EAGLE PRIDE SUPPLY, LLC in customer relations with regard to but not limited to: product delivery, production applications, and warranty exchange, repair services and related distribution issues.

Assist and mentor EAGLE PRIDE SUPPLY, LLC with Best Practices SOP development for customer specific VMI programs and supply chain solutions.

3. Pricing and Purchasing. In connection with this Agreement, Fastenal will provide EAGLE PRIDE SUPPLY, LLC with discounted pricing on purchases EAGLE PRIDE SUPPLY, LLC makes on behalf of their customer under this Agreement. Discounted pricing will be negotiated on each sub agreement.

EAGLE PRIDE SUPPLY, LLC may purchase from Fastenal on account up to a certain pre-established credit limit. In the event an order exceeds EAGLE PRIDE SUPPLY, LLC's pre-established credit limit,

FIRST IN FASTENERS[®]
FIRST IN TOOLS[®]
FIRST IN CUTTING[®]
FIRST IN POWER[™]
FIRST IN MATERIAL HANDLING[™]
FIRST IN JANITORIAL SUPPLIES[™]

FASTENAL COMPANY

Since 1967

2001. Theurer Boulevard
Winona, MN 55987

Fastenal will reasonably accommodate both EAGLE PRIDE SUPPLY, LLC and its customer base by utilizing one of the following options with the order:

1. EAGLE PRIDE SUPPLY, LLC or its customer submits a deposit for an agreed to portion of the value of the product ordered depending on the size and scope of the order in question;
 2. EAGLE PRIDE SUPPLY, LLC submits a valid letter of credit or other financial instrument to Fastenal ensure payment of the order;
 3. EAGLE PRIDE SUPPLY, LLC secures a commitment or guarantee from its customer to pay Fastenal, in the event EAGLE PRIDE SUPPLY, LLC defaults in its payment obligations.
4. Fast Solutions Program.
1. FAST Solutions Program: Under the Agreement, EAGLE PRIDE SUPPLY, LLC will be authorized to market, offer and enter into agreements to provide FAST Solutions programs to EAGLE PRIDE SUPPLY, LLC's customers. Any products distributed or vended to a customer in connection with the use of a FAST Solutions program will be subject to the Agreement. EAGLE PRIDE SUPPLY, LLC will use the attached Exhibit 'FAST SOLUTIONS AGREEMENT' or a substantially equivalent agreement to enter into any arrangements to provide FAST Solutions programs to its customers.
 2. FAST Solutions Program Fees: In connection with any "FAST SOLUTIONS AGREEMENT" or an equivalent agreement entered into by EAGLE PRIDE SUPPLY, LLC, EAGLE PRIDE SUPPLY, LLC agrees to collect, on behalf of Fastenal, any FAST Solution Fees or Web Hosting Fees from its customer and remit such Fees to Fastenal in accordance with the Agreement.
 3. To the extent not inconsistent with this Addendum, the remaining terms and conditions of the Agreement will continue in full force and effect.
5. Payment Terms. EAGLE PRIDE SUPPLY, LLC will submit payment to Fastenal within 40 days of the date of invoice (Net 40 days). Fastenal reserves the right to charge 18% per annum (1.5% monthly) on any unpaid invoices over 40 days until such invoices are paid in full. EAGLE PRIDE SUPPLY, LLC agrees to pay Fastenal, to the extent permitted by applicable law, all costs and expenses, including reasonable attorney's fees, incurred by Fastenal in connection with any collection activities or actions to collect unpaid invoices under this Agreement. EAGLE PRIDE SUPPLY, LLC shall remit payment of invoices to:
- FASTENAL COMPANY
P.O. Box 978
Winona, MN 55987
6. Indemnification EAGLE PRIDE SUPPLY, LLC agrees to hold harmless, defend and indemnify Fastenal and its subsidiaries, its officers, directors, employees, agents and representatives from and against any claims, damages, injuries, actions, penalties, fines or liabilities, including without limitation reasonable attorney's fees and costs, that arise out of or are in connection with any acts or omissions of EAGLE PRIDE SUPPLY, LLC, its employees, agents or subcontractors in connection with this Agreement. Fastenal agrees to hold harmless, defend and indemnify EAGLE PRIDE SUPPLY, LLC and its subsidiaries, its officers, directors, employees, agents and representatives from and against any claims, damages, injuries actions, penalties fines or liabilities, including without limitation reasonable

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attorney's fees and costs, that arise out of or are in connection with any acts or omissions of Fastenal, its employees, agents or subcontractors in connection with this Agreement.

7. **LIMITATION OF LIABILITY.** IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR INJURIES TO PERSONS OR TO PROPERTY OR LOSS OF PROFITS OR LOSS OF FUTURE BUSINESS OR REPUTATION, WHETHER BASED ON TORT OR BREACH OF CONTRACT OR OTHER BASIS, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
8. **Assignment.** This Agreement shall be binding and inure to the benefit of the parties and their successors and assigns. Neither party may assign its rights, privileges and duties under this Agreement without the prior written consent of the other party.
9. **Confidentiality.** All information, including without limitation pricing and volume information concerning products or services, material handling schemes or methodologies, electronic catalogs, reports, data processing configurations and approaches and related information proprietary to the disclosing party, shall be treated as confidential and will be used solely in connection with the work being performed under this Agreement. Fastenal and EAGLE PRIDE SUPPLY, LLC will provide such information to its employees on a need to know basis and will reasonably ensure that their employees will comply with this provision. Fastenal and EAGLE PRIDE SUPPLY, LLC shall indemnify the other party for any and all damages (including but not limited to attorney fees) resulting from a breach of this confidentiality clause. This provision will be in effect during the term of the Agreement and will continue for a period of one (1) year after termination. These requirements shall not apply to information which: a.) is within the public domain; b.) is known to other parties at time of receipt; c.) is rightfully obtained from a third party without breaching the terms of this Agreement; or d.) is independently developed by the receiving party without reference to the confidential information received hereunder.
10. **Dispute Resolution.** The parties shall exercise their best efforts to resolve by negotiation any and all disputes, controversies or differences arising out of or relating to this Agreement. All disputes, controversies or differences between the parties that are not settled by negotiation shall be decided in accordance with the Commercial Rules of the American Arbitration Association and judgment will be entered on the award. The arbitrator will be bound by the express terms of this Agreement. The site of arbitration will be a mutually agreeable location in Minnesota and the arbitrator(s) will be bound by the applicable law of the State of Minnesota.
11. **Term and Termination.** This Agreement will begin on the date noted herein and shall continue until the work is completed, unless earlier terminated. EAGLE PRIDE SUPPLY, LLC will notify Fastenal of any time requirements associated with the Services to be provided. This Agreement may be terminated, without cause, by either party upon sixty (60) days written notice to the other party; however, EAGLE PRIDE SUPPLY, LLC will be responsible for the payment of any goods or products produced or

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assembled up to the date of termination and will pay all non-returnable Products and materials ordered by Fastenal in connection with this Agreement.

12. Force Majeure. Any delays or failures to deliver any items or shipments, if occasioned by fire, explosion, flood, earthquake, war, riots, terrorism, insurrection, civil disturbance, accident, storm, interruption or delay in transportation, shortages or strikes due to labor disputes, inability to obtain materials or supplies, acts of government, or any act of God, or any other causes of like kind which are beyond the control of Fastenal shall not subject Fastenal to any liability to EAGLE PRIDE SUPPLY, LLC.
13. Nonexclusivity. This Agreement will not be considered an exclusive arrangement between the parties and each party may enter into further agreements, which are similar to or directly compete with this Agreement.
14. Scope. This Agreement will be relevant only to the customer(s) specifically identified in signed sub agreements. The customer in the first sub agreement will be mutually agreed upon prior to the execution of the Distribution Agreement. Additional customers may be added only through the execution of an additional sub agreement.
15. Marketing. Marketing of the Distribution Agreement is restricted to customers referenced on a signed sub agreements. Use of Fastenal logos on literature, websites and advertisements to the general public is prohibited unless EAGLE PRIDE SUPPLY, LLC obtains prior written permission from Fastenal to utilize its logos for marketing activities.
16. Independent Contractor. EAGLE PRIDE SUPPLY, LLC and Fastenal will be independent contractors in connection with the performance of work and activities under this Agreement. EAGLE PRIDE SUPPLY, LLC will have no right or authority to bind Fastenal to any obligations or responsibilities and will not represent or hold itself out as an agent or representative of Fastenal.
17. Miscellaneous. This is the entire Agreement between the parties and any modifications should be made in writing, signed by both parties. The Agreement is governed by the laws of the State of Minnesota. In the event any provision is deemed unenforceable, the unenforceable provision or portion thereof will be deleted from this Agreement with the remaining provisions remaining in effect. In case any one or more of the provisions of this agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. This Agreement is the entire understanding between the parties and any revisions or modifications must be in writing and executed by each party. The foregoing individuals are authorized representatives of the respective parties.

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FASTENAL COMPANY

By:

Donald R. Papenfuss
Signature

Title: V.P. Contract Dev.

5-20-2015

Date

EAGLE PRIDE SUPPLY, LLC

By:

[Signature]
Signature

Title: CEO

05/08/2015

Date

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Eagle Pride SUB-AGREEMENT

Below are the terms set forth between above stated reseller and Fastenal for the purposes of administrating the agreement between reseller and end customer as stated below. Original agreement may be attached.

☐ New ☒ Amended ☐ Remove

End Customer Name: TCPN Reseller Global: 7809
Contract Name: Eagle Pride-TCPN
Reseller Contact Name: Pat Myers
Fastenal Contact Name: Brad Gorder/Monica Nelson
Contract Number (if any): R142101 Start Date: 11/28/2016 End Date: 3/31/2019

Pricing: Core File #1: 3121 Core File #2: 7223 Core File #3: _____
Discount Format: Category Discounts Category Package #: 9348

- ☐ Price Hard Lock Branch cannot price higher or lower than contract
☐ Core File(s) ☐ % Offs ☐ Promo Prices Prohibited
☐ Unpriced Packing Slip Default # Copies: _____ (default 2)
☐ Decimal Point Precision # Places: _____ (default 4)

Freight: All Core Files: Blue Global Exempt add notes or %'s, limits
Contract Catalog Items: Blue Global Exempt
Default Freight Method: Blue Global Exempt
Additional Freight Requests: Customer Approval Req'd Delivery Charges: Never Charge

Payment Terms: Payment Terms: Net 40 ☒ PO# Req'd ☐ Job# Req'd

Program Incentives/Adjustments:

	Rate:	Type:	Freq:
1. <u>Reseller Invoice Adjustment</u>	<u>5.00%</u>	<u>Invoice Adjustmen</u>	<u>(select one)</u>
2. <u>TCPN Rebate</u>	<u>2.00%</u>	<u>Rebate</u>	<u>Quarterly</u>
3. _____	<u>0.00%</u>	<u>Not Applicable</u>	<u>(select one)</u>
4. _____	<u>0.00%</u>	<u>Not Applicable</u>	<u>(select one)</u>

Other Adjustment Notes: _____

Cost Savings: ☒ Not Applicable ☐ See attached for detail page reference: _____

Other Information: Updating the sub-agreement to reflect the TCPN extension through 3-31-2019.

Signature: [Signature] Eagle Pride [Signature] Fastenal
Date: 09/14/2017 9-14-2017

Internal reference only:

☐ Punch Out ☐ EDI Integration ☐ New Global EDI ID Req'd ☐ 850 Required

Exhibit D
City of Austin, Texas
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment,

recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 27th day of September, 2017

CONTRACTOR
Authorized
Signature

Eagle Pride Supply LLC

Patrick Myers

Title

Chief Executive Officer

Exhibit E
City of Austin, Texas
Section 0805
NON-SUSPENSION OR DEBARMENT CERTIFICATION

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin Contracts to be awarded and all contract extensions with values equal to or in excess of \$25,000.00 or more and all non-procurement transactions.

The Offeror hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.

Contractor's Name:

Eagle Pride Supply LLC

Signature of Officer or
Authorized
Representative:

Patrick Myers

Date: 09/27/2017

Printed Name:

Patrick Myers

Title

Chief Executive Officer

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
 - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
 - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

12. INVOICES:

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

13. PAYMENT:

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
 - i. delivery of defective or non-conforming Deliverables by the Contractor;
 - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
 - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
 - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
 - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
 - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
 - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

- 14. TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

15. FINAL PAYMENT AND CLOSE-OUT:

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
 - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
 - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. AUDITS and RECORDS:

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. Records Retention:
 - i. Contractor is subject to City Code chapter 2-11 (Records Management), and as it may subsequently be amended. For purposes of this subsection, a Record means all books, accounts, reports, files, and other data recorded or created by a Contractor in fulfillment of the Contract whether in digital or physical format, except a record specifically relating to the Contractor's internal administration.
 - ii. All Records are the property of the City. The Contractor may not dispose of or destroy a Record without City authorization and shall deliver the Records, in all requested formats and media, along with all finding aids and metadata, to the City at no cost when requested by the City
 - iii. The Contractor shall retain all Records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.
- C. The Contractor shall include sections A and B above in all subcontractor agreements entered into in connection with this Contract.

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18. SUBCONTRACTORS:

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.
- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
 - i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
 - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
 - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
 - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.

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20. **WARRANTY – TITLE:** The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.
21. **WARRANTY – DELIVERABLES:** The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.
- A. Recycled Deliverables shall be clearly identified as such.
 - B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
 - C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
 - E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
 - B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be

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required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

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30. DELAYS:

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 48. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

- A. Definitions:
 - i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
 - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
 - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
 - ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.
- B. **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

32. INSURANCE: (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

- A. General Requirements.
 - i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
 - ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the

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City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the

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Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

34. **NOTICES**: Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.
35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL**: All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS**: The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY**: In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **PUBLICATIONS**: All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

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39. **ADVERTISING**: The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
40. **NO CONTINGENT FEES**: The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
41. **GRATUITIES**: The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
42. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS**: No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
43. **INDEPENDENT CONTRACTOR**: The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
44. **ASSIGNMENT-DELEGATION**: The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
45. **WAIVER**: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
46. **MODIFICATIONS**: The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
47. **INTERPRETATION**: The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

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48. DISPUTE RESOLUTION:

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

49. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

50. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

51. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11

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Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

52. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

53. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

54. **EQUAL OPPORTUNITY**

A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

B. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

55. **INTERESTED PARTIES DISCLOSURE**

As a condition to entering the Contract, the Business Entity constituting the Offeror must provide the following disclosure of Interested Parties to the City prior to the award of a contract with the City on Form 1295 "Certificate of Interested Parties" as prescribed by the Texas Ethics Commission for any contract award requiring council authorization. The Certificate of Interested Parties Form must be completed on the Texas Ethics Commission website, printed, and signed by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury. The City will submit the "Certificate of Interested Parties" to the Texas Ethics Commission within 30 days of receipt from the successful Offeror. The Offeror is reminded that the provisions of Local Government Code 176, regarding conflicts of interest between the bidders and local officials remains in place. Link to Texas Ethics Commission Form 1295 process and procedures below:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

56. **BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- A. Definitions. As used in this paragraph –
- i. "Component" means an article, material, or supply incorporated directly into an end product.
 - ii. "Cost of components" means -
 - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
 - iii. "Domestic end product" means-
 - (1) An unmanufactured end product mined or produced in the United States; or
 - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
 - iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
 - v. "Foreign end product" means an end product other than a domestic end product.
 - vi. "United States" means the 50 States, the District of Columbia, and outlying areas.
- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".