



L. BROOKS PATTERSON-COUNTY EXECUTIVE  
**OAKLAND COUNTY**  
**PURCHASING DIVISION**

**EXHIBIT II**

**SCOPE OF CONTRACTOR'S SERVICES**

The Contractor shall supply and deliver specified office supplies, stationary and other items selected from the lists in Exhibit III, titled Core Product Item List, and Exhibit IV, titled Print Supply Item List, (all incorporated and made a part of this Agreement by reference) ("Products" and "Services") and/or the printed OfficeMax Products Supply Catalogue and items contained in OfficeMax Web Site, to designated Oakland County Facilities, for the prices set forth therein. Other catalogues or products may be offered during the term of the Contract at separately negotiated pricing between the Parties. The OfficeMax Products Supply Catalogue and OfficeMax Web Site shall have a complete description of each item.

Contractor will be solely responsible for maintenance of the Core Product Item List, Print Supply Item list, or electronic catalogues, and will document all additions, deletion, manufacturers' discontinuance of products/equipment, and all associated variables including pricing revisions. Any changes, substitutions, additions, deletions and/or pricing revisions must be reviewed by the COUNTY and Contractor and documented in writing prior to any inclusion to the Oakland County Core Product Item List, or Print Supply Item List.

This Contract is "piggy-back able" to any agency or organization that the Contractor qualifies.

Quarterly, or at least annually, Contractor will prepare and distribute an Oakland County Core Product Items, and Print Supply Items list electronically. These lists may be revised on a quarterly basis. The electronic catalogue shall have a complete description of each item. Core Product Items and pricing, including sku pricing will be reviewed and changed every 6 months based on product cost changes and market conditions. The first review will be done in December 2011 for January 2012 new product and pricing for Core Items.

For purposes of this contract "Net Purchases" shall mean the aggregate purchase from the Contractor of all Products under this Contract, net of (i) returns/cancelled orders, (ii) applicable taxes, (iii) credits, and (iv) shipping/handling fees separately billed.

Pricing for off-core items appearing in the full line OfficeMax catalog will range in discount from current manufactures list from 30% to 50% as listed in the following table. There will not be a margin floor on any items in the full-line OfficeMax catalog. The discounts quoted will be honored on every item. Note: List price can change at anytime.

Office Products- A4,A6,A7,A8,A9,B1, B2,B3,B4,B5,G8,H1,H2,H3,H4,J1,J2,K1,K3,K4,K5,L1,L5,L9 M2,M5,R1,R2,S6,W1,W2,W5	50%
Toner- S1,S5	30%
Paper, Copy & Wide Format- P1,P8	35%



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Furniture-E1,E2,E3,E4,E5,E6,E7,E8,E9,J4,K7,L8,M1,M3,M4,M6,M7,M9	35%
Technology- Q3,Q8,Q9,S2,S7,S9	30%
Adhesives-A1/Filing Supplies-F1,F2,F3,F4,F5,F7,F8/Writing Instruments-N1,N2,N3,N4,N5,N6,N9	40%
Indexes-L3/Paper Products-A2,P2,P3,P4,P5,P6,P7/Restroom Supplies-W3	45%/40%/40%
Binders&Supplies-L2/Labels-A5	40%/42%

**Payment Terms** Payment must be made via EFT or Procurement Card (P-Card) to receive any incentive or discount. The Contractor will coordinate with the County establishing a P-Card payment process that is efficient, compliant and auditable. Normal payment terms are daily billing net 30 days and summary billing net 10 days.

If Oakland County spends less than \$75,000 per year Contractor will add a 5% markup over the “core item” pricing applied.

**Volume Incentives** shall be provided, based upon total annual Net Purchases as follows This applies to all entities that piggyback off of this contract on their individual total annual Net Purchases:

<u>Annual Net Purchases</u>	<u>Incentive</u>
\$0 to \$150,000	1%
\$150,001 to \$500,000	2%
\$500,001 to \$1,000,000	3%
\$1,000,000 and over	4%

**Average Order Size Incentive** If the average order size is \$299 or more, County will receive an additional annual rebate equal to 1% of Net Purchases. The average order size will be calculated annually from the previous twelve months orders.

Oakland County, as Lead Agency for the OfficeMax America Saves municipal piggyback agreement, is entitled to a ½% administration fee of all Net Purchases by participating agencies.

Volume Incentives described in Exhibit II: (i) are based on County executing this Agreement; (ii) are conditional on County paying all invoices according to the agreed upon terms; and (iii) will be calculated against total paid invoices and only on Net Sales occurring while this Agreement is in full force and effect. County will be eligible for such incentives provided that County continuously maintains a current and in good standing account. All incentives are subject to and require that ninety percent (90%) of invoices are paid according to the terms of this Agreement. If ninety percent (90%) of invoices are not paid according to the terms and conditions outlined in this Agreement, no incentive shall be paid for the applicable measurement period and will not be paid retroactively. Should outstanding invoices exist, Contractor reserves the right to issue payment for incentives against outstanding invoices in lieu of paying the incentive directly to County.

Contractor shall indicate Core Product and Printer Supply Item List items on the OfficeMax Internet item list.

Contractor shall coordinate with County regarding internet order procedures and training.



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Contractor shall accept and process Internet and authorized, approved fax orders from County locations identified in Exhibit V.

Except as otherwise provided herein, Contractor shall provide next-delivery day order delivery to ordering locations identified in Exhibit V.

Deliveries shall be made to each ordering location with a signature obtained on the manifest. Packing list shall be with merchandise. Contractor will retain manifest for support of the invoice inquiries.

Contractor shall apply the appropriate, agreed-upon discount to purchases made under this Contract.

Sales and delivery to locations outside of the contiguous United States may be subject to different or additional terms and conditions.

Contractor shall maintain inventory levels of items shown in County Core Item (Exhibit III) and Printer Supply Item (Exhibit IV) Lists which will insure a 98.5% fill rate.

Contractor shall provide the following usage reports. Upon the reasonable request of County and subject to Contractor's capabilities, the Contractor will supply at no cost custom reports needed for internal use:

- a) Month and year-to-date sales for each authorized cost center;
- b) Monthly and year-to-date usage reports ranked in descending order for units and dollars for Contract Items and all items;
- c) Accounts payable with twice monthly summary invoice supported with listed invoices, in agreed-upon format, and credit memos;
- d) Accounts payable with twice monthly statement;
- e) Month and year-to-date items ordered by department code.

All product returns shall be made in accordance with Contractor's Return Policy as set forth below. The County will call Contractor's Customer Service, and Customer Service will issue a return/credit authorization number ("ATR") to County for items returned pursuant to Contractor's return policy. Any items returned pursuant to this section will be picked up on the next day's delivery. Contractor shall issue a credit memo with invoice by Ordering Division, purchase order number, and ATR number. Refunds for credit card purchases will only be refunded to the same card used for the original purchase.

### **Return Policy**

#### **Office Supplies**

Office supplies may be returned for a full refund within 30 days of the original purchase date with the original sales receipt (sales receipt~ includes register receipt or delivery packing list) or exchanged for an identical item regardless of when you made your purchase. Supply returns without a receipt/packing list will be eligible for an exact-item exchange or a Merchandise Credit for the lowest sales price in the past 60 days. Items no longer stocked by OfficeMax will not be eligible for return.

#### **Ink /Toner**

Ink/toner may be returned in the original, unopened packaging within 30 days of the original purchase date with the original sales receipt. Opened ink/toner or ink/toner without a receipt will be eligible for an exact-item exchange or a Merchandise Credit for the lowest sales price in the past 60 days. Ink and toner no longer stocked by OfficeMax will not be eligible for return.



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**Technology**

OfficeMax will only accept the return of technology products in the original packaging (including all accessories and manuals) with the original sales receipt within 14 days of the original purchase date. Opened technology returned within the 14-day period with the original sales receipt will be subject to a 15% restocking fee. Defective technology items with the original sales receipt may be exchanged for the same item within 14 days of the original purchase date. Technology items consist of, but may not be limited to, computers (desktop, laptop or netbook), monitors, digital cameras, hard drives, business machines, networking equipment, projectors, cash registers, digital picture frames, shredders, telephones, computer peripherals and accessories.

**Software**

Software may be returned in the original, unopened packaging within 14 days of the original purchase date with the original sales receipt. Opened software can only be exchanged for the identical title, with new software unsealed at the time of exchange to complete the return.

**Furniture**

Furniture may be returned in the original packaging (including all components and manuals) with the original sales receipt within 14 days of the original purchase date. Special order, manufacturer-direct, custom and preassembled furniture is not eligible for return.

**Gift Cards/Prepaid Cards**

Prepaid phone cards, OfficeMax gift cards and other gift cards purchased through OfficeMax are not eligible for return. Prepaid cards and gift cards are not redeemable for cash (unless required by law) and are subject to the terms and conditions stated on the individual card.

**Refunds**

Refunds will be made in the same form of payment used for the purchase (checks over \$250 will be refunded via a mail check to the customer). Refunds for credit card purchases will only be refunded to the same card used for the original purchase. For customers buying on account, a credit will be issued to that account.

Authorized returns without the original sales receipt will be issued a Merchandise Credit. Any such return is subject to verification and will require a valid State Identification Card, Driver's License, Passport or Military 10. (Merchandise Credits are not eligible for use on the purchase of other gift cards or prepaid cards, or redeemable for cash unless otherwise required by law.)