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This document (“Agreement”) establishes the terms and conditions governing the strategic sourcing / eProcurement relationship (“Relationship”) between the Board of Regents of the University of Oklahoma (“OU”) and Supplier (“Supplier”), such Relationship being facilitated by the software-as-a-service provided by SciQuest, Inc. (“SciQuest”) and licensed by OU.

This Agreement is construed under the laws of the State of Oklahoma. OU is an agency of the State of Oklahoma (*Oklahoma Constitution Article XIII, Section 8*). OU is subject to the Oklahoma Open Records Act. Supplier acknowledges and accepts the terms and conditions outlined in that certain document bearing the subject: “Legal Constraints State Entities Face in Contracting,” which OU has provided to Supplier and Supplier has received. The terms and conditions set forth herein are effective to the extent allowed by law.

OU desires to establish and operate this Relationship pursuant to OU’s teaching, research, and service missions. OU regards Supplier as important and contributory to OU’s missions and activities and desires this Relationship to operate in a manner that is reasonable, sustainable, and mutually beneficial.

OU’s implementation of SciQuest is branded “CrimsonCorner.” The community of vendor catalogs represented within CrimsonCorner is branded “OU Catalogs.” The related tag line or motto is “Shop Sooner Smart.” OU has sole and exclusive discretion over the selection of suppliers to be represented in CrimsonCorner.

Agreement Form: The entire agreement between OU and Supplier comprises the accompanying Request for Proposal, Supplier’s response thereto, this Agreement and its appendices, and other documentation as may be formally adopted by both parties.

Agreement Length: The Initial Term is intended to be five (5) years, more or less. The first partial year will run from the Effective Date through June 30, 2014. OU, as a state agency, may not obligate funds beyond the then existing fiscal year. Accordingly, OU has right to renew annually, one year at a time at each July 1st. OU intends to renew four (4) additional one-year periods beyond the first partial year. With both parties’ mutual written agreement, the overall term may be extended beyond the Initial Term.

Termination: Either party may terminate the Agreement without cause following sixty (60) days prior written notice to the other party. If either party materially breaches this Agreement, the non-breaching party must give the breaching party written notice of the breach and thirty (30) days to cure such breach. If the breach is not cured within thirty (30) days, this Agreement may be terminated by the non-breaching party.

Entities Covered: OU’s three (3) campuses (Norman, Oklahoma City, Tulsa) and affiliated entities. Provided no conflict exists with (the) existing State of Oklahoma contract(s) serviced by Supplier, Supplier shall be open to allowing the provisions of this agreement to be accessible to any Oklahoma State Agency.

Supplier Status as "Preferred": OU shall undertake commercially reasonable efforts to represent to its user community that Supplier is one of OU’s Preferred Suppliers for the products / services covered by the Agreement.

Alternate Purchase Methods (Norman Campus Only): Relative only to OU Norman Campus users, Supplier will undertake commercially reasonable efforts to discontinue and discourage purchase methods other than CrimsonCorner, such as phone orders or any other type of order not contemplated by this Agreement.

eProcurement: OU grants Supplier the right to sell goods/services to OU through CrimsonCorner. OU will present Supplier to the Norman campus via CrimsonCorner, with a punch-out catalog marketed to campus users. Any cost of operation or dispute with regard to CrimsonCorner is Supplier’s responsibility. OU will take other commercially reasonable efforts to present Supplier to the Oklahoma City and Tulsa campuses (as they are not yet on CrimsonCorner) until such time as such presentation can be effected via the SciQuest (or like) solution.

eProcurement Implementation: Starting at the Effective Date, or sooner as may be mutually agreed by both parties, Supplier will begin working with OU’s eProcurement provider, SciQuest, to enable Supplier as a punch-out supplier in CrimsonCorner. Supplier shall separately provide a specific contract web portal for the Oklahoma City and Tulsa campuses’ use as they will not yet have access to CrimsonCorner as of the Effective Date. Supplier pricing in CrimsonCorner and the separately provided web contract pricing portal shall be identical at all times.

eProcurement Efforts and Limitations: OU represents that it will make good-faith efforts to work independently and in collaboration with Supplier to influence pertinent OU departmental spend toward Supplier Catalog(s). OU makes no representation or commitment that, with respect to goods/services available in other suppliers’ catalogs within CrimsonCorner, such goods/services do not directly or indirectly compete with goods/services available in Supplier’s Catalog(s).

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**Punch-Out Catalog:** Supplier will provide customized Electronic Catalog(s) including descriptions and images as may be requested by OU and reasonably capable of being provided by Supplier. The Electronic Catalog(s) will include only products that OU, in collaboration with Supplier, determines necessary or desired for inclusion. Supplier will block – at the SKU and/or category level - products not part of the standard Electronic Catalog(s) assortment. Supplier's updating of the Electronic Catalog(s) will be accomplished with fifteen (15) days' advance notice to OU. Supplier will provide OU ninety (90) days' advance notice for site user-interface modifications. Special promotions shall be visible to OU users. Supplier will make commercially reasonable efforts to achieve 100% web site availability for OU users 24/7/365, but will ensure 98% availability. Supplier will provide advance notice of planned site maintenance or down time. Product warranty information, if applicable, will be included with item shipped.

**Catalog Accuracy and Compliance:** Supplier will take commercially reasonable efforts to ensure that: (i) Catalog(s) is/are accurate and complete; (ii) neither Catalog(s) nor Supplier's Marks infringe the intellectual or other proprietary right or trade secret of any third party enforceable in the United States of America; (iii) Catalog(s) is/are not obscene, libelous, slanderous, defamatory, invades the privacy of a third party, or is otherwise illegal or exposes OU to undue risk or liability; and (iv) each Order and transaction that Supplier enters into via CrimsonCorner does not violate any agreement(s) that Supplier has with OU. Supplier will indemnify, defend and hold OU (and OU's licensors and suppliers) harmless from any claim or suit (including, without limitation, reasonable legal fees and expenses): (a) that result from a failure of Supplier to meet the foregoing obligations or (b) arise from the purchase or use of Supplier goods/services by OU users.

**Rights to Catalog Enablement:** OU reserves all rights related to the enablement of a catalog in CrimsonCorner, as well as the decision to terminate/de-activate any particular Supplier's catalog with thirty (30) days' notice. If OU believes in good faith that any Supplier information does not conform to this Agreement, OU will be entitled to withdraw without notice the Catalog(s) from CrimsonCorner. In such case, OU will promptly notify Supplier of the actions taken and will work with Supplier to resolve OU's concerns. When OU's concerns are satisfactorily resolved, OU may promptly restore, if appropriate, the Catalog(s) to CrimsonCorner.

**Access to CrimsonCorner:** OU does not warrant that access to CrimsonCorner will be uninterrupted or that the SciQuest-managed integration points between the CrimsonCorner and Supplier' site(s) will be error-free.

**Support:** Supplier will provide all customer support to OU and OU users in a manner consistent with the Agreement and at least as fitting as Supplier provides to its most favored customers.

**Pricing Changes:** Pricing shall remain valid through June 2014, unless pricing changes are mutually agreed upon by OU and Supplier during any subsequent items list review through June 2014. Price changes require 30 days advance notice.

**Pricing Protection:** If an OU User finds a lower price is on Supplier's commercially available catalog, not including specials, close out liquidations and/or coupon prices, OU users may request via email from their account manager an adjustment prior to ordering through CrimsonCorner. Supplier will also use commercially reasonable efforts to provide equivalent products with competitive pricing.

**Pricing Discrepancies:** In the event pricing or discount levels reflected on invoices do not match pricing levels as stated in the agreement, OU and Supplier will work together to calculate and issue the indicated adjustment.

**Tax Exemption:** OU is tax exempt. Supplier shall not charge sales tax on OU purchases.

**Order Dispatch:** Business will be conducted via Purchase Order (PO) via Crimson Corner. Primary dispatch method is cXML. Other methods may include FAX and email.

**Order Accuracy / Completeness:** Supplier will take commercially reasonable efforts to maintain order accuracy, defined as the number of items delivered as ordered divided by the total number of items ordered, at a level of 98% or better. OU may periodically request from Supplier reports of order accuracy rates. Supplier will take commercially reasonable efforts to maintain order completeness, defined as the number of items on an order filled completely as ordered divided by the total number of lines on an order, at a level of 95% or better. OU may periodically request from Supplier reports of order completeness.

**Back Order Notifications:** Supplier shall notify OU order initiators immediately should any items ordered be placed on back order. Supplier shall also provide to OU order initiators an estimated date of product availability for the back ordered items and suggest potential technical equivalent product substitution.

**Substitutes / Changes:** Supplier will not substitute items, change SKU numbers or quantities. In the event a product is discontinued, Supplier will suggest a product of same or better quality, at substantially the same price.

**Delivery and Freight:** Supplier shall provide OU with next day, desktop FOB destination deliveries at no cost to OU end users, regardless of delivery campus location. Any other applicable special delivery or handling charges must be approved by the order initiator. On-time delivery, defined as next day delivery of order within one (1) business day of placement of order to all campus locations, shall be maintained at 95% or greater. Late orders are any orders greater than one (1) delivery day, unless with approved notification. Any extraordinary delivery or handling charges must be approved by the ordering University department. Any existing or potential delivery delays shall be communicated to the ordering University department within twenty-four (24) hours after order placement.

**Returns:** Supplier shall provide for ease and efficiency relative to order returns and adjustments ("hassle-free"). Full credit shall be provided on all returns that are returned within 60 days of receipt in original packaging and in re-sellable conditions. Supplier shall not impose a restocking fee if an item is returned due to damage, incorrect product shipped, or order entry error by Supplier. Supplier also shall not impose a restocking fee for inventory that is returned with an authorization number, or for products returned in exchange for other inventory.

**Settlement:** Supplier will work with OU and SciQuest to establish a process by which settlement is made via credit card upon shipment of goods/services. If this method is used, any shipping / handling charges that may otherwise be accepted by OU shall be indicated as a separate line item on the order, not added at the header level. Additionally, if this method is used, OU does not need or desire an invoice. If this method is not used, Supplier shall submit invoices as otherwise described herein, terms shall be Net45, and settlement will be made via check or electronically.

**Invoicing:** (*This term applies only if Supplier is unable or unwilling to accept settlement via credit card upon order shipment.*) Supplier will submit invoices via electronic transmission (cXML and EDI). Supplier will comply with SciQuest's related format and submission requirements. Supplier will coordinate with OU if Supplier needs to use a different method for invoice transmittal. Invoices shall be detailed at the line item level. OU does not accept summary invoices or statements. Invoices must clearly indicate pertinent information, including but not limited to:

- PO number
- PO line item number
- Description, quantity, catalog number and manufacturer number of the item ordered
- Net cost of each item
- Applicable discount
- Shipping and handling, if appropriate
- Reference to original order number for all credit invoices issued

**Sustainability:** Supplier will exercise commercially reasonable efforts to promote sustainable products and practices via Supplier's presence on CrimsonCorner.

**Diversity / Inclusiveness:** Supplier will exercise commercially reasonable efforts to maximize diversity and inclusiveness relative to Supplier's suppliers. Supplier will provide to OU periodic reporting of supplier diversity business volume relative to OU's ORP purchases from Supplier.

**Account Management:** Supplier shall provide OU with a dedicated team of sales and customer service representatives to service and manage the OU account. The Supplier account management team will serve as OU's main point of contact and will work with OU to resolve any issues that may arise. The account management team will be present at all business review meetings.

**Audits:** Supplier will provide a compliance report when requested by OU for OU's use to track service level commitments to actual performance and contract pricing to settlement. In the event pricing or discount levels reflected on invoices do not match the pricing levels as stated in the agreement, OU and Supplier shall work together to calculate and issue an appropriate adjustment.

**Quarterly Business Review Meetings:** In order to maintain and enhance the long-term business relationship, Supplier's account management team and OU may meet periodically to review reports, pricing, product updates, performance, service-related issues, and proposed initiatives. Agenda for the business review meetings shall be set by OU. Supplier shall provide cost reduction recommendations to further reduce costs related to OU's account during the business review meetings as they become apparent.

**Reporting:** Supplier shall make commercially reasonable efforts to provide reporting, as requested by OU. If requested to provide usage reports, Supplier shall deliver the report within five (5) business days of request at no additional charge to OU. At a minimum, the ability to report on the following criteria is required:

- Total dollar value of purchases and total number of orders
- Total value of purchases and total number of orders by each campus in OU
- Total purchases by item number

- # of orders returned due to errors by OU
- # of Orders returned due to Supplier error
- Total dollar value of surcharges, transaction fees, delivery charges, and other charges, if any.

Marketing and End User Education: Supplier will collaborate with OU to market and promote the preferred aspect of the Agreement to facilitate and encourage the OU account growth. Supplier will also collaborate with OU to educate and market to campus users via product shows or other promotion formats to ensure continued high-utilization of the preferred aspect of the Agreement and end user satisfaction.

Logos / Marks: OU grants Supplier the non-exclusive right to use the OU mark in conjunction with the Catalog(s). All other uses of OU's marks shall be subject to prior written approval on a case-by-case basis by OU. Supplier acknowledges OU's right, title and interest in and to OU's Marks and OU's exclusive right to use and license the use of OU's Marks. Supplier agrees not to claim any title to OU's Marks or any right to use OU's Marks except as expressly permitted by this agreement. Supplier will include all notices and legends with respect to OU's trademarks, trade names, or copyrights as are or may be required by applicable federal, state, and local trademark and copyright laws or which may be reasonably requested by OU. Upon termination of this Agreement, all rights to OU's Marks conveyed by OU to Supplier shall cease. OU specifically reserves any and all right to OU's Marks not specifically granted to Supplier. Supplier grants to OU the right to use Supplier's Marks for the purpose of presenting Supplier, via CrimsonCorner and otherwise, to OU.

Liability: OU will be responsible for its own negligent acts. Supplier will hold OU harmless in the event of: (1) any injury or damage sustained by any person or property as a result of any act or omission by Supplier (2) any infringement by Supplier of patents, trademarks, service marks, copyrights, or other forms of intellectual property, (3) any claim or amounts arising or recovered under Workers' Compensation law or any other law in consequence of any act or omission by Supplier. Neither party shall be liable to the other party under this Agreement if it either delays performance or fails to perform as a result of any cause beyond its reasonable control. OU and Supplier agree to negotiate in good faith to resolve problems, questions and disputes. Where mutually agreeable improvements and clarifications can be made in the business processes related to CrimsonCorner both parties agree to incorporate such changes. Supplier will be responsible for Supplier's own negligent acts.

Record Retention: Supplier will maintain a suitable electronic record of each transaction. Each electronic record shall be maintained for a minimum period of three (3) years from such transaction. OU shall be granted reasonable access to the electronic records upon request.

Additional Costs: Any additional cost components beyond those outlined in this agreement will not be introduced during the term of this agreement without the mutual agreement and written consent of both Supplier and OU.

**Board of Regents of the University of Oklahoma**

**Supplier**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Appendix A – Accompanying Request for Proposal (RFP)

Appendix B – Supplier's Response to RFP