

AGREEMENT

This Agreement ("Agreement") is between **Suffolk County Community College ("College")**, having its principal office at 533 College Road, Selden, New York 11784-2899, a community college established pursuant to New York State Education Law, under the sponsorship of the **County of Suffolk ("County")**, a municipal corporation of the State of New York, and

Follett Higher Education Group, Inc. ("Contractor"), an Illinois corporation having its principal place of business at 3 Westbrook Corporate Center, Suite 200, Westchester, Illinois 60154.

The parties hereto desire for Contractor to provide services in connection with operating the College's bookstores in an efficient manner at its various campuses ("Services").

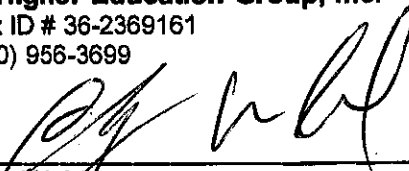
Term of Agreement: June 1, 2019 through May 31, 2024 with an option to renew for an additional five (5) year term, upon the mutual written consent of the parties.

Total Cost of Agreement: Shall be as set forth in Exhibit E, attached hereto.

Terms and Conditions: Shall be as set forth in Exhibits A through F, attached hereto and made a part of this Agreement.

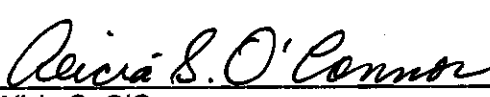
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the latest date written below.

Follett Higher Education Group, Inc.
Fed. Tax ID # 36-2369161
Tel.: (630) 956-3699

By: 
Clay Wahl
Chief Operating Officer

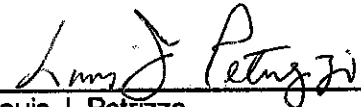
Date: 9/9/19

Approved as to Legality:
Suffolk County Community College

By: 
Alicia S. O'Connor
College Deputy General Counsel


Date: 9/10/19

Suffolk County Community College

By: 
Louis J. Petruzzo
College General Counsel/Executive V.P.

Date: 09/13/19

Approved:
Suffolk County Community College

By: 
Sara E. Gorton
Associate Dean for Financial Affairs

Date: 9/10/19

LIST OF EXHIBITS

Exhibit A

General Terms and Conditions

1. Contractor's Responsibilities
2. Term and Termination
3. Indemnification
4. Insurance
5. Independent Contractor
6. Severability
7. Merger; No Oral Changes
8. Set-Off Rights
9. Non-Discrimination in Services
10. College's Non-Discrimination Notice
11. Nonsectarian Declaration
12. Governing Law
13. No Implied Waiver
14. Conflicts of Interest
15. Cooperation on Claims
16. Confidentiality
17. Assignment and Subcontracting
18. No Intended Third Party Beneficiaries
19. Certification as to Relationships
20. Publications and Publicity
21. Copyrights and Patents

Exhibit B

Suffolk County Legislative Requirements

1. Contractor's/Vendor's Public Disclosure Statement
2. Living Wage Law
3. Use of County Resources to Interfere with Collective Bargaining Activities
Local Law No. 26-2003
4. Lawful Hiring of Employees Law
5. Gratuities
6. Prohibition Against Contracting with Corporations that Reincorporate Overseas
7. Child Sexual Abuse Reporting Policy
8. Non Responsible Bidder
9. Use of Funds in Prosecution of Civil Actions Prohibited

Exhibit C
Notices and Contact Persons

1. Notices Relating to Payments, Reports, or Other Submissions
2. Notices Relating to Insurance
3. Notices Relating to Termination and/or Litigation

Exhibit D
Description of Services

Exhibit E
Payment Terms and Conditions

1. General Payment Terms
2. Agreement Subject to Appropriation of Funds
3. Limit of College's Obligations
4. Specific Payment Terms and Conditions

Exhibit F
Concessionaire's Rules and Regulations

EXHIBIT A
General Terms and Conditions

Whereas, the College issued a Request for Proposals (RFP), which was advertised October 4, 2018; and

Whereas, the Contractor submitted a proposal in response to such RFP on November 5, 2018; and

Whereas, the College has selected Contractor to provide the services as set forth herein; and

Now, therefore, in consideration of the mutual promises and covenants hereafter set forth, the parties hereto agree as follows:

1. Contractor's Responsibilities

a. Services

Contractor shall provide the Services described in Exhibit D, entitled "Description of Services."

b. Qualifications and Licenses

To the extent applicable, Contractor specifically represents and warrants that it has and shall possess, and that, to the extent applicable, its employees, agents and subcontractors have and shall possess, the required education, knowledge, experience and character necessary to qualify them individually for the particular duties they perform and that Contractor has and shall have, and, to the extent applicable, its employees, agents and subcontractors have and shall have, all required authorizations, certificates, certifications, registrations, licenses, permits or other approvals required by the State, County or other authorities for the Services provided.

2. Term and Termination

a. Term

This Agreement shall cover the period set forth on page one of this Agreement, unless sooner terminated as provided below. Upon receipt of a Termination Notice, as that term is defined below, Contractor shall promptly discontinue all Services affected, unless otherwise directed by the Termination Notice.

b. Option Period

- i.** Contractor must notify the College in writing no less than twelve (12) months before the end of the initial contract term set forth in this Agreement as to whether Contractor intends to exercise the option to renew.
- ii.** The parties agree that, if Contractor has fully conformed to the terms, conditions and requirements of this Agreement during the initial contract term, the College's consent to extend the Agreement through the option period shall not be unreasonably withheld.

c. Termination for Cause

- i.** A failure to maintain the amount and types of insurance required by this Agreement may

result in immediate termination of this Agreement, in the sole discretion of the College, if such failure is not cured by Follett within fifteen (15) days of written notice by College.

- ii. Failure to comply with federal, state or local laws, rules, regulations, or College or County policies or directives, may result in immediate termination of this Agreement, in the sole discretion of the College, if such failure is not cured by Follett within fifteen (15) days of written notice by College.
- iii. If Contractor becomes bankrupt or insolvent or falsifies its records or reports, or misuses its funds from whatever source, the College may terminate this Agreement in whole or in part, effective immediately, or, at its option, effective at a later date specified in the notice of such termination to Contractor
- iv. In the event of a failure on the part of either party to observe any of the other terms and conditions of this Agreement, this Agreement may be terminated in whole or in part in writing by the other party provided that no such termination shall be effective unless the breaching party is given thirty (30) calendar days' (or longer, at the terminating party's option) written notice of intent to terminate ("Notice of Intent to Terminate"), delivered in accordance with the Exhibit entitled "Notices and Contact Persons." During such thirty (30) day period, (or longer, at the terminating party's option), the breaching party will be given an opportunity for consultation with the other party and an opportunity to cure all failures of its obligations prior to termination. In the event that the breaching party has not cured all its failures to fulfill its obligations to the satisfaction of the College by the end of the thirty (30) period (or longer, at the terminating party's option), the terminating party may issue a written termination notice ("Termination Notice"), effective immediately.

d. Termination for Emergencies

An emergency or other condition involving possible loss of life, threat to health and safety, destruction of property or other condition deemed to be dangerous, in the sole discretion of the College, may result in immediate termination of this Agreement, in whole or in part.

e. Termination for Convenience

Either party shall have the right to terminate this Agreement at any time and for any reason deemed to be in its best interest by providing one hundred twenty (120) calendar days' prior written notice ("Termination Notice").

f. Payments upon Termination

- i. Upon receiving a Termination Notice, Contractor shall promptly discontinue all services affected unless otherwise directed by the Termination Notice.
- ii. The College shall be released from any and all responsibilities and obligations arising from the services provided in accordance with by this Agreement, effective as of the date of termination, but the College shall be responsible for payment of all claims for services provided and costs incurred by Contractor prior to termination of this Agreement, that are pursuant to, and after Contractor's compliance with, the terms and conditions of this Agreement.
- iii. Upon termination, Contractor agrees to promptly reimburse to the College the balance of any funds advanced to Contractor by the College. Upon termination, any funds paid to

Contractor by the College which were used by Contractor in a manner that failed to comply with the terms and conditions of this Agreement must be promptly reimbursed. If there is no response or if satisfactory repayments are not made, the College may recoup such payments from any amounts due or becoming due to Contractor from the College under this Agreement or otherwise. The provisions of this subparagraph shall survive the expiration or termination of the Agreement.

- iv. On any termination, expiration or non-renewal of this Agreement (excluding non-exercise of the option to renew, the College shall pay Contractor the unamortized book value (calculated on the straight-line method from the in-service date[s] over the greater of 8 years or until expiration of this Agreement) of all capital improvements (as defined in Exhibit D) and contributions paid by Contractor
- v. On any termination, expiration or non-renewal of this Agreement, the College shall purchase or require a subsequent bookstore operator to purchase the bookstore inventory then on hand on the same terms as purchased by Contractor.

3. Indemnification

a. General

- i. Contractor agrees that it shall protect, indemnify and hold harmless the College and/or County and their officers, officials, employees, contractors, agents and other persons from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the acts or omissions or the negligence of Contractor in connection with the services described or referred to in this Agreement. Contractor shall defend the College and /or County and their officers, officials, employees, contractors, agents and other persons in any suit, including appeals, or at the College and /or County's option, pay reasonable attorney's fees for defense of any such suit arising out of the acts or omissions or negligence of Contractor, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.
- ii. To the extent permitted by applicable law, the College agrees that it shall protect, indemnify and hold harmless Contractor and its officers, officials, employees, contractors, agents and other persons from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the acts or omissions or the negligence of the College in connection with the services described or referred to in this Agreement. The College shall defend Contractor and its officers, officials, employees, contractors, agents and other persons in any suit, including appeals, arising out of the acts or omissions or negligence of the College, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.

b. Federal Copyright Act

- i. Contractor hereby represents and warrants that it will not infringe upon any copyrighted work or material in accordance with the Federal Copyright Act during the performance of this Contract.

- ii. To the extent permitted by applicable law, the College hereby represents and warrants that it will not infringe upon any copyrighted work or material in accordance with the Federal Copyright Act during the performance of this Contract.

4. Insurance

- a. Contractor agrees to procure, pay the entire premium for and maintain throughout the term of this Agreement, insurance in amounts and types specified by the College and/or the County and as may be mandated. Contractor agrees to require that all of its subcontractors, in connection with work performed for Contractor related to this Agreement, procure, pay the entire premium for and maintain throughout the term of this Agreement insurance in amounts and types equal to that specified by the College and/or the County for Contractor. Unless otherwise specified by the College and/or the County and agreed to by Contractor, in writing, such insurance shall be as follows:
 - i. **Commercial General Liability** insurance, including contractual liability coverage, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate due to bodily injury, personal injury, or property damage arising out of this Agreement.
 - ii. **Automobile Liability** insurance (owned, non-owned or hired motor vehicles utilized to perform duties by Contractor in the performance of this Agreement) in an amount of \$2,000,000 combined single limit (each accident) for claims for damages due to bodily injury or property damages.
 - iii. **Worker's Compensation and Employer's Liability** insurance in compliance with all applicable New York State laws and regulations and **Disability Benefits** insurance, if required by law. Contractor shall furnish to the College, prior to its execution of this Agreement, the documentation required by the State of New York Workers' Compensation Board of coverage or exemption from coverage pursuant to §§57 and 220 of the Workers' Compensation Law. In accordance with General Municipal Law §108, this Agreement shall be void and of no effect unless Contractor shall provide and maintain coverage during the term of this Agreement for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.
- b. All policies providing such coverage shall be issued by insurance companies with an A.M. Best rating of A- or better.
- c. Contractor shall furnish to the College Certificates of Insurance, evidencing compliance with the aforesaid insurance requirements. **In the case of commercial general liability insurance, the College and the County of Suffolk shall be named as additional insureds by blanket endorsement and the Contractor shall furnish an endorsement page evidencing the College and the County's status as additional insureds by blanket endorsement on the policy. The Contractor must ensure that the certificate(s) of insurance references the assigned Contract Number and Project Name.**
- d. Any such certificate of insurance, endorsement page or other evidence of insurance supplied to the College shall provide for the College and the County of Suffolk to be notified in accordance with policy provisions prior to any cancellation, nonrenewal of the policies. Such certificate of insurance, endorsement page, other evidence of insurance and any notice of nonrenewal shall be mailed to the College and the County at the addresses set forth in this Agreement in the exhibit entitled "Notices and Contact Persons" or at such other address of which the College and/or the County shall have given Contractor notice in writing.

- e. In the event Contractor shall fail to provide the certificate of insurance, endorsement page or other evidence of insurance, or fails to maintain any insurance required by this Agreement, the College and/or the County may, but shall not be required to, obtain such policies and deduct the cost thereof from payments due Contractor under this Agreement or any other agreement between the College and/or the County and Contractor.

5. Independent Contractor

It is expressly agreed that Contractor's status hereunder is that of an independent contractor. Neither Contractor, nor any person hired by Contractor shall be considered employees of the College and/or the County for any purpose.

6. Severability

It is expressly agreed that if any term or provision of this Agreement, or the application thereof to any person or circumstance, shall be held invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and every other term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

7. Merger; No Oral Changes

It is expressly agreed that this Agreement represents the entire agreement of the parties and that all previous understandings are merged in this Agreement. No modification of this Agreement shall be valid unless written in the form of an Amendment and executed by both parties.

8. Set-Off Rights

The College and/or the County shall have all of its common law, equitable, and statutory rights of set-off. These rights shall include, but not be limited to, the College and/or the County's option to withhold, for the purposes of set-off, any moneys due to Contractor under this contract up to any amounts due and owing to the College and/or County with regard to this contract and/or any other contract with the College or any County department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the College and/or the County for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The College and/or the County shall exercise its set-off rights in accordance with normal College and County practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the College and/or the County, their representatives, or the County Comptroller, and only after legal consultation with the College General Counsel and County Attorney. College shall only set-off undisputed amounts owed.

College consents to a deduction from, and set-off against, any undisputed past-due amounts owed to Follett by College under this Agreement.

9. Non-Discrimination in Services

During the performance of this Agreement:

- a. Contractor shall not, on the grounds of race, creed, color, religion, national origin, sex, age, disability, sexual orientation, military status or marital status:

- i. deny any individual any services or other benefits provided pursuant to this Agreement; or
 - ii. provide any services or other benefits to an individual that are different, or are provided in a different manner, from those provided to others pursuant to this Agreement; or
 - iii. subject an individual to segregation or separate treatment in any matter related to the individual's receipt of any service(s) or other benefits provided pursuant to this Agreement; or
 - iv. restrict an individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any services or other benefits provided pursuant to this Agreement; or
 - v. treat an individual differently from others in determining whether or not the individual satisfies any eligibility or other requirements or condition which individuals must meet in order to receive any aid, care, service(s) or other benefits provided pursuant to this Agreement.
- b. Contractor shall not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination because of their race, creed, color, religion, national origin, sex, age, disability, sexual orientation, military status or marital status, or have the effect of defeating or substantially impairing accomplishment of the objectives of this Agreement in respect to individuals of a particular race, creed, color, religion, national origin, sex, age, disability, sexual orientation, military status or marital status, in determining:
- i. the types of service(s) or other benefits to be provided; or
 - ii. the class of individuals to whom, or the situations in which, such service(s) or other benefits will be provided; or
 - iii. the class of individuals to be afforded an opportunity to receive services.

10. College's Non-Discrimination Notice

Suffolk County Community College does not discriminate on the basis of race, color, religion, creed, sex, age, marital status, gender identity or expression, sexual orientation, familial status, pregnancy, predisposing genetic characteristics, equal pay compensation-sex, national origin, military or veteran status, domestic violence victim status, criminal conviction or disability in its admissions, programs and activities, or employment. This applies to all employees, students, applicants or other members of the College community (including, but not limited to, vendors and visitors). Grievance procedures are available to interested persons by contacting either of the Civil Rights Compliance Officers/Coordinators listed below and are located at www.sunysuffolk.edu/nondiscrimination. Retaliation against a person who files a complaint, serves as a witness, or assists or participates in the investigation of a complaint in any manner is strictly prohibited.

The following persons have been designated to handle inquiries regarding the College's non-discrimination policies:

Civil Rights Compliance Officers

Christina Vargas
Chief Diversity Officer/Title IX Coordinator
Ammerman Campus, NFL Bldg., Suite 230

533 College Road, Selden, New York 11784
vargasc@sunysuffolk.edu
(631) 451-4950

or

Dionne Walker-Belgrave
Affirmative Action Officer/Deputy Title IX Coordinator
Ammerman Campus, NFL Bldg., Suite 230
533 College Road, Selden, New York 11784
walkerd@sunysuffolk.edu
(631) 451-4051

11. Nonsectarian Declaration

Contractor agrees that all services performed under this Agreement are secular in nature, that no funds received pursuant to this Agreement will be used for sectarian purposes or to further the advancement of any religion, and that no services performed under this program will discriminate on the basis of religious belief.

12. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws. Venues shall be designated in Suffolk County, New York or the United States District Court for the Eastern District of New York.

13. No Implied Waiver

No waiver shall be inferred from any failure or forbearance of the College and/or the County to enforce any provision of this Agreement in any particular instance or instances, but the same shall otherwise remain in full force and effect notwithstanding any such failure or forbearance.

14. Conflicts of Interest

- a. Contractor agrees that it will not during the term of this Agreement engage in any activity that is contrary to and/or in conflict with the goals and purposes of the College and/or the County.
- b. Contractor is charged with the duty to disclose to the College and/or the County the existence of any such adverse interests, whether existing or potential. This duty shall continue so long as Contractor is retained on behalf of the College. The determination as to whether or when a conflict exists or may potentially exist shall ultimately be made by the College General Counsel and the County Attorney after full disclosure is obtained.

15. Cooperation on Claims

Each of the parties hereto agrees to render diligently to the other party, without additional compensation, any and all cooperation, that may be required to defend the other party, its employees and designated representatives against any claim, demand or action that may be brought against the other party, its employees or designated representatives in connection with this Agreement.

16. Confidentiality

Any records, reports or other documents of the College and/or the County or any of its agencies used by Contractor pursuant to this Agreement or any documents created as a part of this Agreement shall remain the property of the College and/or the County and shall be kept confidential in accordance with applicable laws, rules and regulations.

Contractor agrees that, throughout the term of the Agreement, it and its employees, agents, contractors and subcontractors shall strictly maintain the confidentiality of College records provided to them and that the information contained in those records shall not be disclosed without the prior written approval of either the College President or the College General Counsel. Contractor acknowledges that the unauthorized disclosure of such records shall constitute a breach of the Agreement, which will result in termination of the Agreement and damages.

Records created by Contractor in connection with this Agreement shall remain the property of Contractor, subject to the rights of College to view and inspect such records and subject, further, to the disclosure requirements of applicable law, including, but not limited to, the New York Freedom of Information of Information Law (NYS Public Officers Law, Article 6) to the extent applicable, and not otherwise excepted thereunder.

Follett will only share confidential information with third parties that are (1) under an obligation of confidentiality and (2) necessary to performing a function directly related to Follett's services/offerings. Follett may use and share customer information for analytic and business purposes **provided that the information is aggregated and anonymized so as not to allow the transmittal of personally identifiable information.**

17. Assignment and Subcontracting

- a. Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of this Agreement, or any of its right, title or interest therein, or its power to execute the Agreement, or assign all or any portion of the monies that may be due or become due hereunder, to any other person or corporation, without the prior consent in writing of the College, and any attempt to do any of the foregoing without such consent shall be of no effect.
- b. Contractor shall not enter into subcontracts for any of the work contemplated under this Agreement without obtaining prior written approval of the College. Such subcontracts shall be subject to all of the provisions of this Agreement and to such other conditions and provisions as the College and/or the County may deem necessary, provided, however, that notwithstanding the foregoing, unless otherwise provided in this Agreement, such prior written approval shall not be required for the purchase of articles, supplies, equipment and services which are incidental to, but necessary for, the performance of the work required under this Agreement. No approval by the College of any subcontract shall provide for the incurrence of any obligation by the College and/or the County in addition to the total agreed upon price. Contractor shall be responsible for the performance of any subcontractor for the delivery of service.

18. No Intended Third Party Beneficiaries

This Agreement is entered into solely for the benefit of College, County and Contractor. No third party shall be deemed a beneficiary of this Agreement, and no third party shall have the right to make any claim or assert any right under this Agreement.

19. Certification as to Relationships

The parties to this Agreement hereby certify that, other than the funds provided in this Agreement and other valid Agreements with the College and/or the County, there is no known relationship within the third degree of consanguinity, life partner, or business, commercial, economic, or financial relationship between the parties, the signatories to this Agreement, and any partners, members, directors, or shareholders of five percent (5%) (or more) of any party to this Agreement.

20. Publications and Publicity

- a. Contractor shall not issue or publish any book, article, report or other publication related to the Services provided pursuant to this Agreement without first obtaining written prior approval from the College.
- b. The College shall have the right of prior written approval of press releases and any other information provided to the media, in any form, concerning the Services provided pursuant to this Agreement.

21. Copyrights and Patents

a. Copyrights

If the work of Contractor under this Agreement should result in the production of original books, manuals, films or other materials specifically related to this Agreement or campus, for which a copyright may be granted, Contractor may secure copyright protection. However, the College reserves, and Contractor hereby gives to the College, and to any other municipality or government agency or body designated by the College, a royalty-free, nonexclusive license to produce, reproduce, publish, translate or otherwise use any such materials.

b. Patents

If Contractor under this Agreement makes any discovery or invention in the course of or as a result of work performed under this Agreement, Contractor may apply for and secure for itself patent protection. However, the College reserves, and Contractor hereby gives to the College, and to any other municipality or government agency or body designated by the College, a royalty-free, nonexclusive license to produce or otherwise use any item so discovered or patented.

End of Text for Exhibit A

EXHIBIT B
Suffolk County Legislative Requirements

1. Contractor's/Vendor's Public Disclosure Statement

The Contractor represents and warrants that it has filed with the Comptroller of Suffolk County the verified public disclosure statement required by Suffolk County Administrative Code Article V, Section A5-7 and shall file an update of such statement with the said Comptroller on or before the 31st day of January in each year of this Agreement's duration. The Contractor acknowledges that such filing is a material, contractual and statutory duty and that the failure to file such statement shall constitute a material breach of this Agreement, for which the College shall be entitled, upon a determination that such breach has occurred, to damages, in addition to all other legal remedies, of fifteen percent (15%) of the amount of the Agreement.

Required Form: Suffolk County Form SCEX 22; entitled "Contractor's/Vendor's Public Disclosure Statement"

2. Living Wage Law

This Agreement is subject to the Living Wage Law of the County of Suffolk. The law requires that, unless specific exemptions apply all employers (as defined) under service contracts and recipients of County financial assistance, (as defined) shall provide payment of a minimum wage to employees as set forth in the Living Wage Law. Such rate shall be adjusted annually pursuant to the terms of the Suffolk County Living Wage Law of the County of Suffolk. Under the provisions of the Living Wage Law, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

The Contractor represents and warrants that it has read and shall comply with the requirements of Suffolk County Code Chapter 347, Suffolk County Local Law No. 12-2001, the Living Wage Law.

Required Forms: Suffolk County Living Wage Form LW-1; entitled "Suffolk County Department of Labor – Living Wage Unit Notice of Application for County Compensation (Contract)"

Suffolk County Living Wage Form LW-38; entitled "Suffolk County Department of Labor – Living Wage Unit Living Wage Certification/Declaration – Subject To Audit"

3. Use of County Resources to Interfere with Collective Bargaining Activities
Local Law No. 26-2003

The Contractor represents and warrants that it has read and is familiar with the requirements of Chapter 466, Article 1 of the Suffolk County Local Laws, "Use of County Resources to Interfere with Collective Bargaining Activities." County Contractors (as defined) shall comply with all requirements of Local Law No. 26-2003 including the following prohibitions:

- a. The Contractor shall not use County funds to assist, promote, or deter union organizing.
- b. No County funds shall be used to reimburse the Contractor for any costs incurred to assist, promote, or deter union organizing.
- c. The County of Suffolk shall not use County funds to assist, promote, or deter union organizing.

- d. No employer shall use County property to hold a meeting with employees or supervisors if the purpose of such meeting is to assist, promote, or deter union organizing.

Under the provisions of Local Law No. 26-2003, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

Required Form: Suffolk County Labor Law Form DOL-LO1; entitled "Suffolk County Department of Labor – Labor Mediation Unit Union Organizing Certification/Declaration – Subject to Audit"

4. Lawful Hiring of Employees Law

This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk (Local Law 52-2006). It provides that all covered employers, (as defined), and the owners thereof, as the case may be, that are recipients of compensation from the County through any grant, loan, subsidy, funding, appropriation, payment, tax incentive, contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or an awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit a completed sworn affidavit (under penalty of perjury), certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees (as defined) and with respect to the alien and nationality status of the owners thereof. The affidavit shall be executed by an authorized representative of the covered employer or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement with the County; and shall be made available to the public upon request.

All contractors and subcontractors (as defined) of covered employers, and the owners thereof, as the case may be, that are assigned to perform work in connection with a County contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit to the covered employer a completed sworn affidavit (under penalty of perjury), certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees and with respect to the alien and nationality status of the owners thereof, as the case may be. The affidavit shall be executed by an authorized representative of the contractor, subcontractor, or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement between the covered employer and the County; and shall be made available to the public upon request.

An updated affidavit shall be submitted by each such employer, owner, contractor and subcontractor no later than January 1 of each year for the duration of any contract and upon the renewal or amendment of the contract, and whenever a new contractor or subcontractor is hired under the terms of the contract.

The Contractor acknowledges that such filings are a material, contractual and statutory duty and that the failure to file any such statement shall constitute a material breach of this agreement.

Under the provisions of the Lawful Hiring of Employees Law, the County shall have the authority to terminate this Agreement for violations of this Law and to seek other remedies available under the law.

This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk, Suffolk County Code Chapter 234, as more fully set forth in the Exhibit collectively referred to as the "Suffolk County Legislative Requirements." In accordance with this law, Contractor or employer, as the case may be, and any subcontractor or owner, as the case may be, agree that if this statute is applicable,

Contractor will maintain the documentation mandated to be kept by this law on site at all times. Contractor or employer, as the case may be, and any subcontractor or owner, as the case may be, further agree that employee sign-in sheets and register/log books shall be kept on site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign in sheets/register/log books to indicate their presence on the site during such working hours.

The Contractor represents and warrants that it has read, and if Contractor is a covered employer under the statute, it will ensure compliance with the requirements of Suffolk County Code Chapter 234, Suffolk County Local Law No. 52-2006, the Lawful Hiring of Employees Law.

Required Forms: Suffolk County Lawful Hiring of Employees Law Form LHE-1; entitled "Suffolk County Department of Labor –"Notice Of Application To Certify Compliance With Federal Law (8 U.S.C. SECTION 1324a) With Respect To Lawful Hiring of Employees"

Affidavit of Compliance With The Requirements Of 8 U.S.C. Section 1324a With Respect To Lawful Hiring Of Employees" Form LHE-2.

5. Gratuities

The Contractor represents and warrants that it has not offered or given any gratuity to any official, employee or agent of Suffolk County or New York State or of any political party, with the purpose or intent of securing an agreement or securing favorable treatment with respect to the awarding or amending of an agreement or the making of any determinations with respect to the performance of an agreement, and that the signer of this Agreement has read and is familiar with the provisions of Local Law No. 32-1980 of Suffolk County (Chapter 386 of the Suffolk County Code).

6. Prohibition Against Contracting with Corporations that Reincorporate Overseas

The Contractor represents that it is in compliance with Suffolk County Administrative Code Article IV, §§A4-13 and A4-14, found in Suffolk County Local Law No. 20-2004, entitled "A Local Law To Amend Local Law No. 5-1993, To Prohibit The County of Suffolk From Contracting With Corporations That Reincorporate Overseas." Such law provides that no contract for consulting services or goods and services shall be awarded by the County to a business previously incorporated within the U.S.A. that has reincorporated outside the U.S.A.

7. Child Sexual Abuse Reporting Policy

The Contractor agrees to comply with Chapter 577, Article IV, of the Suffolk County Code, entitled "Child Sexual Abuse Reporting Policy", as now in effect or amended hereafter or of any other Suffolk County Local Law that may become applicable during the term of this Agreement with regard to child sexual abuse reporting policy.

8. Non Responsible Bidder

The Contractor represents and warrants that it has read and is familiar with the provisions of Suffolk County Code Chapter 143, Article II, §§143-5 through 143-9. Upon signing this Agreement the Contractor certifies that he, she, it, or they have not been convicted of a criminal offense within the last ten (10) years. The term "conviction" shall mean a finding of guilty after a trial or a plea of guilty to an offense covered under the provision of Section 143-5 of the Suffolk County Code under "Nonresponsible Bidder."

9. Use of Funds in Prosecution of Civil Actions Prohibited

Pursuant to the Suffolk County Code Section §590-3, the Contractor represents that it shall not use any of the moneys received under this Agreement, either directly or indirectly, in connection with the prosecution of any civil action against the County of Suffolk or any of its programs, funded by the County, in part or in whole, in any jurisdiction or any judicial or administrative forum.

End of Text for Exhibit B

EXHIBIT C
Notices and Contact Persons

1. Notices Relating to Payments, Reports, or Other Submissions

Any communication, notice, claim for payment, report, or other submission necessary or required to be made by the parties regarding this Agreement shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other address that may be specified in writing by the parties and must be delivered as follows:

For the College

Vice President for Business and Financial Affairs
Suffolk County Community College
533 College Road, NFL 232
Selden, NY 11784-2899

For Contractor

Clay Wahl
President
Follett Higher Education Group
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60154

With copy to:

Follett Corporation
2233 West Street
River Grove, Illinois 60171
Attn: General Counsel

2. Notices Relating to Insurance

Any notice relating to insurance necessary or required to be made by the parties regarding this Agreement shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other address that may be specified in writing by the parties and must be delivered as follows:

For the College

Louis J. Petrizzo
College General Counsel/Executive V.P.
Office of Legal Affairs
Suffolk County Community College
533 College Road, NFL230
Selden, NY 11784-2899

For Contractor
Clay Wahl
President
Follett Higher Education Group
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60154

With copy to:

Follett Corporation
2233 West Street
River Grove, Illinois 60171
Attn: General Counsel

3. Notices Relating to Termination and/or Litigation

In the event Contractor receives a notice or claim or becomes a party (plaintiff, petitioner, defendant, respondent, third party complainant, third party defendant) to a lawsuit or any legal proceeding related to this Agreement, Contractor shall immediately deliver to the College General Counsel and the County Attorney, at the addresses set forth below, copies of all papers filed by or against Contractor.

Any communication or notice regarding termination shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other addresses that may be specified in writing by the parties and must be delivered as follows:

For the College and the County:

Louis J. Petrizzo
College General Counsel/Executive V.P.
Office of Legal Affairs
Suffolk County Community College
533 College Road, NFL-230
Selden, NY 11784-2899

and

Suffolk County Attorney
Suffolk County Department of Law
H. Lee Dennison Building
100 Veterans Memorial Highway
Hauppauge, NY 11788

For Contractor:

Clay Wahl
President
Follett Higher Education Group
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60154

With copy to:

Follett Corporation
2233 West Street
River Grove, Illinois 60171
Attn: General Counsel

Notices for all parties (except those related to termination or litigation) should be delivered by first class and certified mail, return receipt requested, in a postpaid envelope or by courier service, or by fax or by email.

Notices related to termination or litigation should be delivered by first class and certified mail, return receipt requested, in a postpaid envelope or by nationally recognized courier service or personally and by first class mail.

Notices shall be deemed to have been duly delivered: (i) if mailed, upon the seventh business day after the mailing thereof; or (ii) if by nationally recognized overnight courier service, upon the first business day subsequent to the transmittal thereof; or (iii) if personally, pursuant to New York Civil Practice Law and Rules Section 311; or (iv) if by fax or email, upon the transmittal thereof. "Business Day" shall be defined as any day except a Saturday, a Sunday, or any day in which commercial banks are required or authorized to close in Suffolk County, New York.

Each party shall give prompt written notice to the other party of the appointment of successor(s) to the designated contact person(s) or his or her designated successor(s).

End of Text for Exhibit C

EXHIBIT D
Description of Services

1. CONTRACTOR'S RIGHTS AND RESPONSIBILITIES:

1.1. CONTRACTOR'S RIGHTS:

- a. Contractor shall have the exclusive right to buy, sell and distribute merchandise and services traditionally offered in college and university bookstores, including but not limited to, textbooks, class and alumni rings and jewelry, clothing, school supplies, gifts, souvenirs, graduation regalia announcements, course- adopted software and paper and electronic custom anthologies and textbook buybacks. The College will not contract with any other provider of such products or services, whether it's a physical store or online store. Contractor is authorized to sell food, snacks or beverages only at the Eastern Campus, not at the Ammerman or Michael J. Grant Campuses. Contractor may also be required to fulfill distance learning instructional and ancillary materials as requested by the College.
- b. The College may continue to source Open Educational Resources (OER) content and, when desired, may integrate content within the Follett Discover program so students and faculty can have access to content choices that help drive course material affordability. Prior to implementation of the Discover program, Follett must comply with the College's Web Accessibility Policy (<https://www.sunvsuffolk.edu/accessibility/website-accessibility-policy.jsp>), as that policy may be amended, modified, or superseded, which requires that the College's web-based information, including documents and applications, are accessible to individuals with disabilities. As the leading provider of College and University course materials and to comply with the needs for students with disabilities, Follett goes through an extensive VPAT analysis annually of which copies can be provided to the College for review.
- c. Student exchanges of used books or sales by student groups or student government organizations that do not materially impact bookstore sales shall be permitted under the agreement.
- d. Contractor acknowledges and understands that organizations affiliated with the College, including but not limited to the Suffolk Community College Association, Inc. and the Suffolk Community College Foundation, Inc., are separate legal entities and will not be bound by this Agreement. Such College-affiliated entities may purchase merchandise from other vendors.
- e. The College grants the Contractor the right, subject to the College's written standards, to use the College's seal, logotype and associated trademarks and service marks on the College's internet site, signage and collateral materials, stationery, soft goods, notebooks, pens, pencils, decals and other products traditionally sold in college and university bookstores. The College will not grant such right to any other online or brick-and-mortar retail bookseller during the term of the contract.

1.2. OPERATIONAL REQUIREMENTS:

- a. Contractor shall operate all College bookstores in accordance with the highest standards and commercial practices in the college bookstore industry.
- b. Contractor shall operate all College bookstores twelve (12) months per year, without interruption except for holidays, or upon the prior written approval of the College for such business activities as inventory. The stores normal hours of operation and holiday closing schedule shall be as approved in writing by the College after consultation with the Contractor. Hours of operation during registration periods, the first two weeks of classes, and all special campus events, shall be extended to coincide with demand.
The names of the stores shall not change, unless approved by the College, in writing.
- c. Contractor shall provide all fittings, fixtures, equipment and software required to operate the bookstores.
- d. Contractor shall agree to meet when deemed necessary by the College with the Bookstore Advisory Committee for the purpose of receiving input on the operation of the bookstores. Contractor shall attempt to initiate or implement the suggestions received from the Bookstore Advisory Committee, with the prior written consent of the College's Administration, provided said recommendations are consistent with the terms of the contract and accepted business principles in the bookstore industry. Any and all changes to be implemented by the Contractor must receive prior written approval from the College.
- e. If at any time the College is dissatisfied with the Contractor's performance under the Agreement, the College shall document the unsatisfactory performance and submit documentation to the Contractor for immediate review and corrective action. The College may require a review meeting to prepare appropriate corrective action.

1.3. BOOKSTORE POLICIES:

- a. Contractor shall publicly post its store policies concerning discounts, refunds, exchanges, buybacks, and to make a copy of its current list prices of its books and Publisher's Wholesale Buying Guide.
- b. College shall have the right to review and approve the Contractor's pricing and refund policies.

1.4. BOOKSTORE OFFERING REQUIREMENTS:

- a. Contractor shall work with the College to develop Book Requests at least ten (10) weeks prior to the opening of each academic term. The College will work with the Bookstore Manager to provide the required information in a timely manner. Contractor shall employ its best efforts to obtain specified items, both required and recommended, in sufficient quantities prior to the opening of each academic term, procuring both new copies and good used copies of books, where possible, in the edition specified by the College. In addition, Contractor

- shall maintain throughout the academic year such required texts and materials as to ensure continuous and uninterrupted services to the College. Contractor shall agree to fulfill special orders for books requested by the College.
- b. Contractor shall provide an online website for the purchase of all books, supplies and other merchandise from the bookstores as an extension of the bookstore.
 - c. Contractor shall make caps and gowns available for graduating students, faculty and staff in the style selected by the College, and to not charge more than cost plus a mark-up of fifteen percent (15%).
 - d. Contractor shall be the exclusive provider of vending machines to dispense school supplies at all College facilities. Vending machines shall be placed in locations pre-approved by the College. Contractor shall be responsible for operating, maintaining and repairing vending machines. Contractor shall promptly investigate and remedy any complaints about the quality or quantity of the products in the vending machines.
 - e. The sale of cigarettes, snacks and beverages in the bookstores or vending machines is prohibited.
 - f. The College may prohibit sale at the bookstores of any items it finds offensive or inappropriate.

1.5. SECURITY AND SAFETY:

- a. In order to secure property in the bookstores, Contractor shall cooperate with the College in providing school security, theft prevention and emergency procedures in case of fire or casualty. In cooperation with College Public Safety, the Contractor shall create and maintain a store security plan acceptable to the College. The security plan shall specifically address events with large anticipated customer attendance, such as textbook buyback, periods of increased volume of sales and any other special events.
- b. Contractor shall be responsible for the installation and maintenance of a keyway system at all the bookstore locations. Contractor shall provide access keys for all locations to the College's Public Safety Office. Contract shall also provide Public Safety with an emergency contact and phone number.
- c. Contractor shall not cause the College's students, faculty or staff suspected of theft or disturbance to be arrested by public authorities (except in emergencies) or prosecuted without prior consultation with the College.
- d. Contractor shall adhere to all New York State and Suffolk County fire and building codes.

1.6. SANITATION AND REFUSE:

- a. Contractor shall be responsible for the daily cleaning and housekeeping of the bookstores and shall adhere to the highest standards of cleanliness and sanitary practice.
- b. Contractor shall be responsible for all custodial services of the bookstore storage areas, floors, walls, furniture, stairs, windows, etc., including the provision of basic janitorial equipment and supplies.
- c. Contractor shall provide inside refuse containers and remove light trash into to College-provided receptacles.
- d. Contractor shall cooperate with the College in all reasonable recycling efforts.

1.7. RULES AND REGULATIONS:

- a. Contractor shall obtain and maintain, at its own expense and in its name, all necessary licenses and permits required to perform the services described herein.
- b. Contractor shall abide, and require its employees to abide, by all applicable College regulations and policies. The College shall provide the Contractor with copies of applicable policies, and timely inform the Contractor of any changes.
- c. Contractor shall abide by all federal, state and local laws applicable to its operation.
- d. Contractor shall adhere to all federal and state environmental, health and safety regulations and fire and building code ordinances when performing any work on College property or delivering any product or service to the College. The College reserves the right to suspend any work or delivery that violates any federal or state regulation or local ordinance.
- e. Contractor shall collect and pay any sales tax or similar tax on its retail sales and applicable income taxes in its revenues.
- f. Contractor shall be responsible for any loss or damage to property owned by the College that is in the Contractor's possession or control or is caused by the Contractor or its employees or agents in the course and scope of their employment.

1.8. BOOKSTORE PERSONNEL:

- a. Contractor shall furnish sufficient adequately trained personnel and staff on site at the College bookstores to operate and manage the stores and provide efficient and courteous service to customers. Such personnel must be Contractor's employees; subcontracting of such staffing services will not be permitted. Contractor must provide sufficient substitute staffing in case of employee absence.
- b. During each shift, a designated Manager shall be in charge and in attendance.
- c. Contractor shall provide on-going training in customer service and will formally recognize and reward employees who provide superior customer services.
- d. The College shall have the right to participate in the interview and selection process for the Store Manager position. Contractor's selection of the Store Manager(s) is subject to the College's approval.
- e. Contractor, whenever possible, shall provide work opportunities for the College's students at an hourly rate at least equal to the New York State Minimum Wage.
- f. Contractor shall be an Equal Opportunity Employer. Contractor shall neither discriminate nor permit discrimination in its operations against any person or group of persons in accordance with applicable College policies, laws, rules and regulations.
- g. Contractor shall be responsible for the salary, fringe benefits and any other costs associated with its employees, including but not limited to Social Security, Unemployment Insurance and Worker's Compensation.
- h. Contractor shall make its corporate representatives reasonably available to the College to discuss and resolve any operational issues.

1.9. CUSTOMER'S PAYMENT TERMS:

- a. Contractor shall accept cash and debit cards, and at a minimum, MasterCard, Visa, Discover and American Express credit cards. Contractor shall pay all merchant charges associated with acceptance of these credit cards.
- b. Personal checks shall be accepted for payment provided valid identification is presented. Contractor may charge a service fee on returned checks, in the amount as mutually agreed by the College and Contractor. Contractor shall not be obliged to accept checks from customers who have had checks previously returned.
- c. Contractor shall extend credit to financial aid-supported students, as evidenced by authorization from the College's Financial Aid Office.
- d. Orders placed by College-affiliated entities, such as the College Foundation or Association, shall be billed by the Contractor directly to the entity and not be billed to the College.
- e. College will issue purchase orders for the procurement of any books or supplies needed by the College. Contractor shall not fulfill any orders without a proper purchase order.
- f. Contractor shall invoice the College for all books and/or supplies. Invoices shall reference the purchase order number. College will submit payment to the Contractor within thirty (30) days of receipt and approval of invoice.

1.10. SIGNAGE:

- a. Contractor shall be responsible for providing and installing all necessary internal signs consistent with code requirements in a design commensurate and appropriate to the facility. All signs must be approved by the College, in writing.
- b. Contractor agrees that the use of the College logos, and name requires the express written permission of the College. The College will provide exterior signs identifying the bookstores.
- c. From time to time, and with the approval of the College, Contractor may use exterior signage on an as needed basis.

1.11. TELEPHONE AND INTERNET SERVICE:

- a. Contractor shall be responsible for its own telephone and internet service needs and shall be required to coordinate any new connections with the College's Office of Infrastructure Services within the Department of Information Technology Services. The College will complete any necessary cabling installations.
- b. Contractor shall be responsible for any repairs and maintenance related to its telephone and internet service and shall coordinate said repairs and maintenance with its service provider. Contractor shall notify the College's Office of Infrastructure Services when telephone or internet repairs or maintenance are scheduled in order to arrange for access to the College's facilities.

- c. Contractor shall provide the College's Office of Infrastructure Services with appropriate documentation for any required website connections.

1.12. BOOKSTORE RENOVATIONS:

- a. College shall have sole and absolute discretion over approval of designs used for the construction and renovation of any College facilities.
- b. Contractor shall prepare complete plans and specification for any bookstore renovations for review and approval by the College, and shall work with the College to develop mutually acceptable plans.
- c. Contractor shall submit a construction and installation schedule to the College for review and approval. The College shall review and comment on the plans and schedule in a reasonable time frame. Contractor shall commence construction in accordance with the approved schedule.
- d. The selection of internal lighting, shelving, fixtures and queuing methodology are to be submitted to the College in advance of any implementation.
- e. The College may, in its discretion, approve, revise and/or reject any submissions.
- f. Contractor shall be responsible for filing and obtaining all necessary permits and approvals from the College, state and local agencies, as applicable.
- g. Contractor shall submit a building permit application to the College on the appropriate College forms. No construction work may begin until a building permit is issued by the College.
- h. All bookstore improvements shall meet or exceed the requirements of the Americans with Disabilities Act (ADA), as amended, and any and all other applicable codes, laws, rules and regulations.
- i. All construction performed by the Contractor or its subcontractors on the bookstores shall be carried out in full compliance with applicable provisions of the New York State Labor Law. The Prevailing Wage Rate, as required by the New York State Department of Labor, shall be paid to individuals retained by the Contractor to carry out the construction work. Contractor shall submit to the College its original certified payroll records for all construction and renovation work performed at any of the bookstore locations.
- j. Contractor shall submit all inspections and complete all punch list items to the satisfaction of the College and other local and State agencies, as applicable, such that a Certificate of Occupancy (C of O) can be issued by the College. No renovated facility may be occupied without a C of O.
- k. Any alterations and improvements made by the Contractor in any of the bookstore locations shall become the property of the College. This includes any permanent modifications to physical premises, including but not limited to, lighting fixtures, floor tile, ceiling tile, windows, HVAC, counters, etc., or anything affixed to the real property.

1.13. REPORTING REQUIREMENTS:

- a. Contractor shall provide scheduled reports to the College pursuant to Attachment 1, entitled "Concessionaire's Rules and Regulations."
- b. Contractor shall provide annual financial statements on the date of the execution of the Agreement and annually thereafter on the anniversary date of the Agreement's execution. The College may require a Profit and Loss Statement as set forth in Attachment 1, entitled "Concessionaire's Rules and Regulations."

2. COLLEGE'S RESPONSIBILITIES:

- a. The College will provide and maintain an appropriate, safe and habitable location, in accordance with all applicable laws and regulations, in retail-ready condition, for any capital improvements and ongoing bookstore operations. The College shall be responsible for furnishing lighting, plumbing, power and HVAC. The College shall also keep the buildings in which the bookstores are located in compliance with all fire alarms, smoke detectors, fire extinguishers, fire suppression and sprinkler systems, water pressure, plumbing and electrical service.
- b. The College shall provide the following services to the bookstores in accordance with the College's building standards at no cost to the Contractor:
 - i. Internal and external building maintenance including, but not limited to, plumbing, electric, light bulbs, HVAC and other mechanical systems, fire protection, roof membrane and structure, floors, walls, ceilings, windows and doors;
 - ii. Pest control services on the regular College schedule;
 - iii. Lost and found service as regularly provided by the College;
 - iv. Parking for Contractor's employees in common with other authorized individuals in a location approved and provided by the College. Contractor's employees shall abide by all applicable parking regulations.
 - v. Participation in any debit or credit card, voucher program, or other form of payment or financial aid services now or hereafter made available by the College to its students.
 - vi. Building standard utilities.
- c. In the event the College decides to relocate all or any part of the bookstore operations, the College shall provide the Contractor with at least 90 days advance notice of the relocation and reimburse the Contractor for its relocation cost, provided such costs have been reviewed and approved, in writing, by the College prior to being incurred.
- d. The College will name a representative authorized to advise the Contractor of the College's approvals, consents and instructions under the Agreement.
- e. The College will inform its faculty and staff that they are responsible for providing the Contractor with timely and accurate textbook adoption information.
- f. The College will pay its account balances within thirty (30) days of invoice. In

situations when a student's purchase on credit has not been paid due to the student dropping out or not receiving financial aid, the College will pursue students for collection of non-aided student purchase amounts and remit payments to Contractor. Any outstanding balance of non-aided student purchases and financial aid charge accounts remaining at the end of any semester shall be deducted from the following semester or quarter's commission payable to the College, as applicable.

End of Text for Exhibit D

EXHIBIT E
Payment Terms and Conditions

1. General Payment Terms

a. Contractor shall prepare and present an invoice to the College for payment by the College. Claims shall be documented by sufficient, competent and evidential matter. Payment by the College will be made within thirty (30) days after approval by the College. Follett will extend credit to the College for financial aid and departmental charge accounts in accordance with the terms set forth in Follett's standard credit application, except to the extent such terms are inconsistent with this paragraph. The College will furnish to Follett all required information and will pay all accounts within 30 days of invoice. Where a student's purchase on credit has not been paid due to the student dropping out or not receiving financial aid ("non-aided student purchase"), the College will pursue the students for collection of non-aided student purchase amounts and remit payments to Follett. Any outstanding balance of non-aided student purchases and financial aid charge accounts remaining at the end of any semester shall be deducted from the following semester or quarter's commission payable to the College by Follett.

The College will incur a finance charge for late payments of departmental charge account invoices. The College will pay Follett invoices and outstanding amounts payable to Follett within thirty (30) days. Should the College fail to make timely payment, Follett may set off such amounts against commissions payable to the College..

- b. Contractor agrees that it shall be entitled to no more than the fees set forth in this Exhibit E for the completion of all work, labor and services contemplated in this Agreement.
- c. The charges payable to Contractor under this Agreement are exclusive of federal, state and local taxes, the College being exempt from payment of such taxes.
- d. The acceptance by Contractor of full payment of all billings made on the final approved under this Agreement shall operate as and shall be a release to the College and/or County from all claims and liability to Contractor, its successors, legal representatives and assigns, for services rendered under this Agreement.

2. Agreement Subject to Appropriation of Funds

This Agreement is subject to the amount of funds appropriated and any subsequent modifications thereof and no liability shall be incurred by the College and/or the County under this Agreement beyond the amount of funds appropriated for the Services covered by this Agreement.

3. Specific Payment Terms and Conditions

See ATTACHMENT 1, Contractor's Cost Proposal, annexed hereto

ATTACHMENT 1
Specific Payment Terms and Conditions

Financial Commitment

Commission

Follett offers a competitive five-year financial proposal that sets the standard in the campus store management industry. This includes the option for one additional five-year renewal. We offer you a commission based on the store's sales.

- 14.75%** of all Commissionable Sales up to **\$5,000,000**; plus
- 15.75%** of any part of Commissionable Sales over **\$5,000,000**, but less than **\$10,000,000**; plus
- 16.75%** of any part of Commissionable Sales over **\$10,000,000**.

7.0% on digital textbooks

14.75% on sales from the Follett On-Demand solution to address the needs of the campus community and Athletics Department. Follett will create a unique website that will enhance the present offering and provide incremental sales opportunity for the College. As part of our total bookstore proposal, all sales generated by the Follett On-Demand site will also be commissionable.

Because our revenue estimates have consistently proven accurate, we will pay you a Guaranteed Annual Income of **\$850,000** in the first year.

You will receive whichever is greater in any contract year:

- 1) the percentage of Net Revenue or
- 2) the Guaranteed Annual Income. In any partial contract year, the commission will be based on the applicable percentage and not on the Guaranteed Annual Income.

If in the first full contract year during the term of this agreement, calculated commission payments to Suffolk County Community College are less than **\$850,000** ("Guaranteed Annual Income"), Follett will pay your institution an additional amount necessary to bring total payments to your institution for that year up to the Guaranteed Annual Income. Follett will provide a Guaranteed Annual Income in all future years of this agreement that will be an amount equal to ninety percent (90%) of the calculated commission on Commissionable Sales of the immediately preceding year.

Terms

Payments will be made monthly, twenty days after the end of the month. Follett may deduct past due accounts receivable charges that are more than 120 days in arrears from commission payments.

Commissionable Sales Definition

Commissionable Sales is defined as all recognized revenue (in compliance with generally accepted accounting principles) generated through the Store or the Store website, less voids, refunds, sales tax, campus debit card fees, discounted sales to authorized School faculty, staff, departments and others as may be mutually agreed to under this Agreement, Follett-funded scholarships, handling fees associated with non-return of rental textbooks, pass-through income and merchandise sales at less than an inherent 20% margin (i.e., computer hardware and software).

Follett will process commission payments by sending ACH transfers (Direct Deposit) in lieu of paper checks. The benefits include:

- Improved timeliness of receiving payment
- Elimination of lost checks in the mail
- Elimination of the time and expense of making a bank deposit

Please note that being paid by ACH does not change your payment terms or how often you will receive payment. On the day that the ACH payment is made, the designated recipient will receive an email indicating that the funds are on the way to the bank. A CSV file (that can be opened in Excel) will be attached to the email, which will contain the remit information with the document numbers that were paid (similar to the check remittance advice). Please note that this is not a wire transfer. The process takes approximately 7-10 business days to process once a necessary form is completed and submitted to Follett.

Additional Financial Considerations

Campus Store Renovation

Follett will invest up to **\$365,000** to create a beautiful and efficient retail space that enhances your image, attracts customers and increases sales. Follett's initial investment in store renovations is primarily focused on the Ammerman and Grant Campuses. For your review we have provided designs for your consideration of each respective location. Please refer to page 114 for store design information and the design renderings.

One-time Payment

Follett will make a **\$100,000** one-time payment within 90 days of the successful implementation of the ConnectOnce integration. This payment will be subject to amortization and repayment over the length and terms of the contract.

Systems

Follett has already invested **\$174,000** in the installation of the JDA/Windows DSS point-of-sale system.

General Scholarship

Follett pledges to provide **\$10,000** annually in general scholarship contributions for each full contract year during the term of this Agreement, which will be administered by the school.

Textbook Scholarship

Follett will provide **\$10,000** annually in textbook scholarships for each full contract year during the term of this Agreement in the form of gift cards or as an accounts receivable account. These scholarships will be administered by your administration.

Book Donation

Follett will offer an annual Book Donation in the amount of \$3,500 to the College's Library. The timing of the allocation of funds will be determined between the College and Follett.

Faculty and Staff Discounts

Follett will offer a 10% discount on all purchases over \$1.00 (excluding textbooks, sale merchandise, computer hardware and academically discounted software) to staff, faculty, administration, graduate assistants, teaching assistants and research assistants.

Departmental Discounts

Follett is committed to offering a departmental discount of 20% on all purchases over \$1.00, excluding textbooks, sale merchandise, computer hardware and academically discounted software.

Follett On-Demand

Follett will implement Follett On-Demand with no minimum purchasing requirements. In addition, Follett shall implement Follett On-Demand at no cost to the College and there shall be no fees associated with the operation of Follett On-Demand at any point during the life of this Agreement. Attachment A herein defines the Terms and Conditions associated with the use of Follett On-Demand as the College's Athletics Web-store.

Financial Reliability

Follett's willingness to enter into an agreement under the terms offered within is based on the financial information shared in the RFP document. If for any reason any material or detrimental deviation from the School's reported financial information (including but not limited to annual sales) as compared to the first year's financial performance occurs, Follett would expect to renegotiate appropriate modifications to the proposed terms.

Change in Business Model

If annual gross sales of the bookstore should materially decline more than 5% as a result of declining enrollment, public legislation, other conflicting campus contracts, material changes in school policies or the business model of the industry, such as digital books, sales directly from the publisher, or other reasons outside of the control of Follett, Suffolk County Community College and Follett agree to negotiate in good faith an appropriate adjustment in the payments set forth above.

Financial Records

Follett will maintain complete and accurate records of all store transactions in accordance with approved accounting practices and will provide a monthly statement of gross revenue. Follett will preserve operational records for three years from the transaction date and will make them available for review, audit and verification in the store upon your request.

Our records are audited annually by a Big 4 Accounting firm. Follett's internal audit staff conducts both scheduled and unscheduled audits of our stores throughout the year.

[Remainder of Page Intentionally Left Blank]

ATTACHMENT A

Athletic Web Store.

- 13.1 During the term of the Agreement, Follett will offer an athletic oriented web-based retail Store for the School's athletic department selling certain products for sale through a web-based ordering system operated by a Follett Corporation wholly owned subsidiary, Advanced Graphic Products, Inc. dba Follett On-Demand ("Follett"). Follett will provide a web-based ordering system through which School students, faculty, staff, alumni, Athletic Staff, and the general public will be able to order products bearing School Indicia.
- 13.2 Follett has or will enter into a license agreement (the "License Agreement") with the currently appointed license provider of School. During the term of this Agreement, Follett will maintain its status as a properly appointed licensee of School and Follett will comply with the requirements of the License Agreement. If School is self-licensed, Follett will comply with all requirements of School and receive approval of all graphics through School.
- 13.3 Follett will provide a marketing campaign that may include an email campaign, promotions and other marketing related items to enhance overall retail sales. Promotional emails for free, discounted or special product promotions will be sent from the School Athletics website database every two (2) to four (4) weeks by Follett, the School Athletics website provider or the Athletics Department.
- 13.4 A web link from the School Athletics website named "Store" will be linked to the new Follett provided online store. A designated ad space at the top half of the School Athletics website will be allocated for permanent online Store advertising and an additional ad space will be allocated for promotional ads for discounted, free or special product promotions.
- 13.5 Follett will provide a website application to allow Athletic Department staff members or other designated School staff to purchase products from the School's product line at discounts of approximately 25% to 50% off retail pricing.
- 13.6 NOT USED:
- 13.7 Commissions (as defined below) on products sold by Follett bearing School Indicia will be paid to School within fifteen (15) days following the end of the month that commissions are earned. Commissions for each product sold, shall be paid at 14.75% of the retail price at which a product is sold, provided, however, that no commissions shall be paid on discounted sales to school departments, faculty, staff and others under this Agreement. Retail price is the price at which a product is sold online, excluding freight and sales tax.

With respect to online sales, commissions shall be deemed earned by School as of the transaction billing date.
- 13.8 License Fees (as defined below) on products sold by Follett bearing School Indicia will be paid to the School appointed licensing company within fifteen (15) days following the end of the month that License Fees are earned. License Fees for each product sold shall be paid at the established percentage for School of the wholesale price at which a product is sold. Wholesale pricing is defined as 50% of the retail pricing. With respect to online sales, License Fees shall be deemed earned by School as of the transaction billing date. License Fees will not be paid for products sold directly to School.
- 13.9 Except for the School's eFollett website, Follett shall have the exclusive right, free from any alternate source endorsed, licensed or otherwise approved or supported by School through electronic commerce (including hyperlinks to alternate sources) to sell merchandise traditionally offered through college and university athletic department online retail stores.

End of Text for Exhibit E

EXHIBIT F

**Concessionaire's Rules and Regulations
Suffolk County Community College**

1. Annual Report

Contractor may be required to submit a Profit and Loss Statement at the end of the contract year or as required by the College. The statement shall be in such form so that operational costs for payroll, merchandise, supplies, etc. are clearly presented, and shall be submitted within sixty (60) days of the anniversary date of the Agreement or of the date requested by the College.

2. Costs of Reporting

Contractor is responsible for all its costs associated with complying with the requirements of these rules and regulations.

3. Subordination of all Subcontractor Relationships

All contractors who are subcontractors of Contractor are obligated by the rules of this Exhibit. Contractor will be responsible for the submission of reports to the College by Contractor's subcontractors.

4. Quarterly Sales Tax Return

Contractor shall furnish copies of its quarterly New York State Sales tax returns to the College upon request. Copies submitted shall be photocopies of the information return as filed with the New York State Tax Commission.

5. Quarterly Sales and Commission Report

Contractor shall furnish, in a format acceptable to the College, a quarterly sales and commission report. The Quarterly Report will accompany the remittance of commissions due to the College and the submittal of the quarterly sales tax return. Quarterly reports are to be submitted no more than 60 (sixty) days following the completion of a quarter.

6. Monthly Report

Contractor will submit a monthly report of its daily transactions. The report will reflect all activity covered by the Contractor.

Monthly reports are to be submitted no more than 15 (fifteen) days following the completion of a month.

7. Authentication and Certification of Reports

All reports must be signed and dated by Contractor or its designated representative.

8. Distribution of Reports

All reports will be sent to the Suffolk County Community College, Office of Financial Services, attn: Associate Dean for Financial Affairs, Room 232, NFL Building, Selden, NY 11784.

9. Retention of Reports

Contractor shall retain and keep available for audit a copy of any and all required reports and other source documentation used in the financial management of the concession, as part of the permanent accounting records evidencing concession sales and commissions due the College.

10. Accounting Requirements

Contractor shall make all of its books of account and financial records, tapes and bank statements, relative to the operation of the concession, available to the College, the County department of audit and control, or other authorized personnel or agencies, for audit and inspection.

Contractor's books of account must adequately reflect all revenues derived from, and expenses incurred as a result of, the operations of the College licensed concession. The minimum required accounting records to be maintained shall include:

1. Cash Receipts Journal: to be used for recording of all cash receipts on a daily basis.
2. Cash Disbursement Journal: to be used to record all cash disbursements on a daily basis.
3. General Journal: to be used for the recording of all transactions for which special journals have not been provided.
4. General Ledger: to classify items of income and expenditure in accordance with generally acceptable accounting practice.
5. Daily Sales Record: to be retained with the Contractor's copy of the register tapes or tickets as a permanent record of daily sales.

All records are to be maintained in accordance with generally acceptable accounting practices.

11. Record of Daily Sales

Contractor will maintain a record of all daily sales and all other sales related to Contractor's activity under this concession.

The report for cash register sales shall include beginning and ending balances for each cash register, daily catering revenue, and the total sales receipts for the day.

12. Vending Machine Receipts

Contractor will be required to submit a monthly report of vending machine receipts on a quarterly basis. Commissions will be paid on gross receipts collected from machines, less applicable sales tax, bottle deposits and refunds paid out.

End of Text for Exhibit F