

2. Provide an acceptable electronic method for HPS on behalf of the HPS Institutions to analyze proposals as well as keep track of orders, rebates, deliveries, invoices, and quarterly reports. **Agreed**
3. Provide monthly market basket audits for items to confirm manufacturer prices as compared to the Consumer Price Index (CPI) as well as pass through of all applicable discounts, rebates, and credits. **See Tab 2 GFS Audit Procedure**
4. Provide HPS with appropriate purchasing documents for Products on a quarterly basis so that HPS may audit the pricing mechanisms used. **See Tab 2 GFS Audit Procedure**
5. Provide contracts, pricing and information, search information, technical information, etc. via a web site. **Agreed**
6. Provide field staff to assist the HPS Institutions. **Agreed**
7. Distribute USDA Food products, along with commercial products. (See Section 3b, “USDA Foods”, below). “USDA Foods” or “USDA Commodities” include value-added (brown box), processed or non-processed foods under any approved USDA delivery method, Department of Defense (“DoD”) program(s), Rebates or USDA pilot programs. **Agreed**
8. Upon request, provide copies of all procurement documents to the applicable State Department of Education or any HPS Institution, to demonstrate compliance with CN Program and government-wide regulations, including Buy American. **Agreed, to the extent such regulations or requirements are applicable to Distributor.**
9. Provide member-based input and evaluation of food items, supplies, and materials bid/proposal responses prior to award. **Agreed**
10. Provide HPS Institutions with information regarding any Buy American requirements, nutritional facts, CN label, or bid specification sheet(s) as requested. **See attachment #6 Nutrition Resource Center/Buy American**
11. At the request of any HPS Institution that wishes to develop or update a plan for responding as a CN Program operator to a “disaster” or “situation of distress,” as those terms are defined in 7 CFR 250.2, the Awarded Distributor will provide reasonable assistance, support and cooperation to any such HPS Institution in connection with developing or updating such response plan, consistent with all applicable laws and regulations, including without limitation 7 CFR 250.69 and 7 CFR 250.70 **Agreed**

12. Collect and disburse the annual volume discounts earned by eligible K12 HPS Institutions based on purchases from vendors that participate in HPS's volume discount incentive program. HPS, on behalf of its Members and the SWEPC Coop, has secured tiered discounts from participating vendors based on the volume of purchases of eligible cases of commercial and USDA Foods under the HPS and SWEPC Commodity program from those vendors by K12 HPS and SWEPC Institutions. The Awarded Distributor shall : (A) Collect the volume discount incentive due to HPS and SWEPC Institutions by deducting the amount of the discount from an anticipated future Product payment to the participating vendor; (B) Process payment of the deducted amount to the appropriate HPS and SWEPC Institutions by means of individual customer credit memos; (C) Send vendors an annual statement detailing the volume discount activity during the prior year; and (D) Make final payments based on the final, adjusted volume schedule. **Agreed, provided GFS is awarded all K-12 RFP Contracts**

13. Make purchases of specified Products on behalf of HPS Institutions at the lowest price, including freight. **Agreed**

14. Communicate information regarding anticipated market price changes and availability.

15. Provide manufacturer information and tracking systems on specials and rebate information, including without limitation food show rebates. **Agreed**

16. Present or demonstrate new products or concepts in conjunction with brokers or manufacturers. **Agreed**

17. Upon HPS request, seek proposal pricing for new products as new products become available during the Master Group Agreement term. **Agreed**

18. Interface with the manufacturers about problems relating to product quality to the satisfaction of the HPS Institutions. In the case of quality disputes, the manufacturer may be required to provide an independent or third-party laboratory analysis. **Agreed, See Tab 3, U.S. Product Complaint Process Overview**

19. Provide quick, effective response to HPS Institutions' questions and issues with orders, deliveries, paper transactions, billings, or product performances. Communications may be in writing, e-mail, telephone, voice messaging, and/or in person in a timely manner. **Agreed**

20. Assign a regular account representative for each HPS Institution unless other arrangements are made with the HPS Institutions. **Agreed**

21. Provide accurate, reliable and timely reports, in terms of invoices, statements, credits and usage reports and other information as required by law or requested by HPS. Moreover, the Awarded Distributor must provide data spontaneously for periodic review of prices by HPS. **Agreed**