

13. Make purchases of specified Products on behalf of HPS Institutions at the lowest price, including freight.
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.
16. Present or demonstrate new products or concepts in conjunction with brokers or manufacturers.
17. Upon HPS request, seek proposal pricing for new products as new products become available during the Master Group Agreement term.
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.
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.
20. Assign a regular account representative for each HPS Institution unless other arrangements are made with the HPS Institutions.
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.
22. Provide electronic data as required for HPS to gather combined velocity and reporting information for all HPS Institutions individually, including without limitation the following data points:
 - A. Daily Transactional Data
 - i. Daily electronic invoices data (810)
 - ii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Price, Unit, Qty Invoiced, Package String, and Distribution Center that Product was sold from
 - B. Distributor Product Masterfile
 - i. Weekly update of all active and available items
 - ii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Package String, Category, Sub-Category
 - C. Distributor Contract/Distribution Pricing Files
 - i. Weekly Update of all items available at a particular distribution center and priced by contract/agreement number
 - ii. Used for pricing evaluations
 - iii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Price, Unit, Package String, Category, Sub-Category

- D. Nutritional Item Service for Schools
 - i. Complete nutritional reference for schools
 - ii. RESTful Service on demand
 - iii. Includes all nutritional components, school lunch equivalencies, and links to the USDA child nutritional database
- E. Catalog Punchout for Menu Planner
 - i. Punchout link for items in Menu Planner to link to the online catalog from distributor and pre-populate a catalog cart.
- F. USDA Commodities landing service
 - i. Provides data for USDA entitlement drawdown for each school district participating in the managed consortiums
- G. USDA Account management communications service
 - i. Service that allows consortium to send diversion pounds by district, USDA Commodities item, and processor electronically to distributor.
 - ii. Allows for shut offs of each electronically
- H. Other electronic information HPS needs to conduct business with its members.

23. Provide required documentation on Products, such as nutrition analysis, meal components, allergens, CN Labels, food recalls, etc.

24. Provide emergency phone numbers and email addresses for ordering and delivery contacts outside of office hours (including weekends).

25. Supply equipment needed for use of house brand Product dispensing, such as coffee brewing systems, napkin dispensers, detergent dispensers, etc. Awarded Distributor must also include servicing options.

26. Meet each HPS Institution's need for technological/computer support.

27. Provide all products and services in accordance with applicable state and federal laws and regulations governing Federally-funded CN Programs and other applicable law, using sound, professional practices and in a competent and professional manner using knowledgeable, trained, and qualified personnel.

28. Provide opportunities to taste test products and menu options for staff and students.

29. Provide Professional Development opportunities for HPS Institutions' CN staff that count toward the USDA Professional Standards in School Nutrition Programs. This could include, but is not limited to webinars, back-to-school shows, USDA food shows, new product previews, preparation techniques, food safety, allergies, and menu development.

30. Pay administrative fees to HPS Institutions as required from time to time under the HPS/SFA Contract(s). Current administrative fees are set forth on the attached **Exhibit D**. Future changes to administrative fees will be by mutual agreement of HPS Institutions and Awarded Distributor, provided they do not result in a Material Change to the contract and further do not affect then-current HPS pricing under the Master Group Agreement. A Material Change occurs when the change in the scope of the contract is significant in size, scope, complexity, and dollar amount.

Any evaluation of whether a Material Change has occurred shall consider adjustments related to inflation and the increase in the cost of products and services.

b. **USDA Foods:** Awarded Distributor must be able to provide USDA Foods year-round and without additional fees imposed on HPS Institutions for any special-order requirements. HPS Institutions must have access to commodity and commercial purchase history reports including balances and usage detail. USDA Commodity Products must be easily identified on the Awarded Distributor's ordering system, indicating if Products are available at a commodity price or commercial price as in when entitlement is depleted or if Product was not diverted. Awarded Distributor's failure to supply a specified USDA Commodity Product is subject to the "Substitutions" provision set forth in Section 4(l)(7), below. Commodity pricing must be either "net off invoice" ("NOI"), if permitted by the applicable State Department of Education or other State agency having jurisdiction, or "modified fee for service, Closed Sku NOI (CNOI), or Rebate." Awarded Distributor's programs must be able to integrate with K-12 and Processor Link verification systems.

The processing of donated USDA Foods must be performed in accordance with processing agreements that comply with the requirements of 7 CFR Part 250. Without limiting the foregoing, Awarded Distributor must enter into a written processing agreement with any manufacturer that provides Awarded Distributor with end products containing donated USDA Foods. The agreement between processor and Awarded Distributor must be acceptable to HPS and the HPS Institutions and must reference, at a minimum, the financial liability (i.e., who must pay) for the replacement value of donated foods; not less than monthly end product sales reporting frequency; requirements under 7 CFR 250.11; the applicable value pass through system to ensure the value of donated foods and finished end products is properly credited to the HPS Institutions; and any other requirements set by FNS, the applicable State Department of Education or other State agency having jurisdiction from time to time.

c. **Employee Conduct:** Awarded Distributor is responsible for its employees while on HPS Institutions' property:

1. Awarded Distributor's personnel are to present a professional appearance at all times. Awarded Distributor's personnel not in an identifiable uniform must provide Awarded Distributor photo identification upon request.
2. Personnel must be neat, clean, well groomed, and conduct themselves in a respectable and courteous manner while performing duties at any of the HPS Institutions' property. Each HPS Institution reserves the right to deny access to any of Awarded Distributor's employees deemed unacceptable and to request alternate employee.
3. Awarded Distributor will provide competent supervision of employees and be responsible for any and all damage or injury to existing facilities, equipment, property or persons caused by Awarded Distributor employee.
4. Awarded Distributor will furnish a complete list of all employees working on HPS Institutions' property upon request. Awarded Distributor will notify the applicable CN Director of any change prior to new personnel coming to any HPS Institution property.
5. Awarded Distributor will perform work without unnecessarily interfering with HPS Institution activities. Awarded Distributor employees must comply with all safety protocols of the HPS