September 17, 2007

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: VICKI L. KARNES
STATE CONTRACT PROCUREMENT OFFICER
302-857-4556

SUBJECT: **AWARD NOTICE**

CONTRACT NO. 07-026-SD - LABORATORY SUPPLIES AND EQUIPMENT

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OF
KEY CONTRACT INFORMATION

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KEY CONTRACT INFORMATION

1. **MANDATORY USE CONTRACT**:

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, Department of Elections, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

2. **CONTRACT PERIOD:**

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Each contractor's contract shall be valid for a two (2) year period from October 15, 2007 through October 14, 2009. Each contract may be renewed for two (2) one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

3. **VENDOR:**

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Fisher Scientific Company L.L.C.
3970 Johns Creek Court, Suite 500, Suwannee, GA 30024
Customer Service - 800) 766-7000
FAX - (800) 926-1166
ATLQuotes@fishersci.com
Fed E.I. # 23-2942737

FISHER SCIENTIFIC

Fisher Scientific
2000 Park Lane Drive
Pittsburgh, PA 15725

Vendor Contact(s):

Richard Keck
Account Manager
Voice Mail: 800-955-9999 x1993440
Cell: 302-542-0210
E-mail: Dick.Keck@thermfisher.com
Phong Nguyen
Sales Manager
Voice Mail: 800-955-9999 x1993102
Office: 215-369-3364
E-mail: Phong.Nguyen@thermfisher.com

4. **SHIPPING TERMS:**

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F.O.B. destination.

5. **DELIVERY AND PICKUP:**

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State of Delaware customers are served primarily from our Newark, Delaware (Delmar) warehouse. This facility is situated on 8.1 acres, is approximately 85,000 SF in size. At Delmar we employ the IMPACCT management system, which controls product flow from receiving through shipping. This system is constantly being enhanced to incorporate the newest technology to expedite fulfillment of customer orders.

State of Delaware customers have continuous access to Fisher for emergency product and service needs. From 7 am EST to 9:00 pm EST Monday through Friday, State customers can call Fisher's toll-free customer service number, 800-766-7000. After 9 pm EST, calls will be forwarded to a special answering service specially contracted by Fisher who determines the emergency need. Once an emergency need is established, the answering service contacts a Fisher associate on the 24x7 emergency list.

6. **PRICING:**

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a. Prices from Roche Diagnostics will remain in effect for the term of the contract.

b. Prices for Contract List items from Fisher Scientific will remain in effect for the term of the contract. Prices for Off-Contract List items may be adjusted annually.

c. See Appendix A for Pricing Index.

7. **PRICE ADJUSTMENT:**

If agreement is reached to extend this contract for the second, optional year, the Division of Government Support Services shall have the option of offering a determined price adjustment and shall not exceed the current Philadelphia All Urban Consumers Price Index (CPI-U), U.S. City Average. If the CPI-U is used, any increase/decrease shall reflect the change during the previous published twelve (12) month period at the time of renegotiation.

ADDITIONAL TERMS AND CONDITIONS

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8. **BILLING:**

The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

9. **PAYMENT:**

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

10. **PRODUCT SUBSTITUTION:**

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

11. **ON-CONTRACT ITEMS**: This contract lists product lines that are considered on-contract (Fisher Contract List for Fisher Scientific on-contract products, Core Items on Appendix A). For every item ordered that is on-contract, the Bid Price (discounted price) for the manufacturer and product line shall apply.

12. **OFF-CONTRACT ITEMS**: All items not listed in the respective(Fisher Contract List for Fisher Scientific on-contract products, Core Items on Appendix A) are considered off-contract. For every item ordered that is off-contract, a discount percent methodology for each item shall apply.

While the pricing offered for off-contract items is very good, they are not as aggressive as those offered for on-contract items. Purchasers are strongly encouraged to select items from the on-contract list.

13. **ORDERING:**
Ordering from Fisher may be done is several ways.

- Purchase orders may be mailed to;

Fisher Scientific
c/o Denise Whitmore
3970 Johns Creek Court
Suite 500
Suwanee, GA 30024

- Purchase orders may be faxed to our Customer Service at 800-926-1166

- Purchase orders may be phoned into our Customer Service at 800-766-7000

14. ***BACKORDERS***

Backordered items are communicated to State of Delaware at the time of order entry if placed through Fisher's on-site customer service representative, with the exception of direct-ship items. The CSR will frequently review the backorder report and compare it to the Fisher backorders in order to expedite shipments.

End users who place orders via fishersci.com will have access to **real-time product availability** which serves to eliminate backorders before they occur. If the end user sees that the item is on backorder, they can use our website's extensive product search features to identify alternative products. If an item does go to backorder, an e-mail notification feature immediately notifies the end user and provides the estimated ship date for the backorder.

15. ***RETURNS***

FISHER'S RESTOCK. Any items returned to Fisher in their original condition, and in their original packaging, will be credited in full with no restocking fee. This applies to items shipped in error by Fisher, or ordered in error by an agency. Items shipped directly from one of our vendors, or items considered "specials" (any item that is not normally cataloged and stocked by Fisher), may be subject to a restocking fee.

- **RETURNS**. When an agency has an item they wish to return to Fisher, they must first call Fisher Customer Service to obtain a Return Authorization Number. This number must appear on the outside of the package as it is returned (should be on the mailing label, not written on the box). For items that are being returned due to an error made by Fisher, Fisher will issue a pick-up tag for one of the common carriers to pick up the package, prepaid by Fisher. If the return is due to an error made by the agency, it is the responsibility of the agency to properly ship the package to the Fisher location given with the Return Authorization

- By contacting a Fisher Customer Service Representative (CSR), franchised products may be returned within 30 days for replacement or adjustment, with the following exceptions:

- Open chemicals and diagnostics

- Special purchased or special stocked items

- Expired shelf life products

- Used products (unless they originally did not meet manufacturer's specifications)

- Hazardous materials authorized for return must be packed, labeled and shipped in accordance with DOT/UN regulations governing transportation of hazardous materials and any other applicable requirements.

- To assure prompt handling, the customer must obtain a return goods authorization number and reference this number on return shipping documents. Return Goods Authorization can be obtained through the customer service representative or via the web at www.fishersci.com.

16. ONLINE ORDERING

The newly redesigned www.fishersci.com includes all the advanced functionality users have come to depend on—including real-time order processing and product availability, customizable hot lists and templates, account-specific pricing, and much more.

Fischer has added several robust new features to make the ordering experience easier and provide improved, interactive management capabilities to serve customers' unique requirements.

- ***Distinct E-Stores*** - allow users to find content and products targeted to their needs: Scientific, Safety, Health Care, or Science Education.
- ***Expanded Browsing Options*** – Users can not only browse by products and suppliers, they can refine by products, suppliers, and applications.
- ***Accessories*** – When an end user adds a product to a cart, a tab is displayed suggesting appropriate accessories.
- ***Alternate Product Choices*** – Selection of lower-cost alternative products to offer customers additional savings.

Benefits to State of Delaware

24-hour availability for order placement	Real-time product availability
Cost-effective order processing with multiple ordering options	Instant access to vital technical information, including chemical MSDS and Certificates of Analysis
Secure environment	On-line access to available State of Delaware quotes
Custom catalog views to enhance user product selection	Multiple e-mail order notification
On-line Return Products Authorization form	Credit card and blanket order processes for easy ordering
Frequent updates and expansion of product content	Personal and company hotlists
Convenient ordering templates	

17. **ELECTRONIC CATALOGS**

Fisher has considerable experience in developing customized catalogs that list specific items most frequently used by our customers. These can include storeroom catalogs that feature customer-specific pricing. With the advent of web-based catalogs, we have the capability to produce a customized State of Delaware electronic version allowing for frequent updates and contract pricing. Custom catalogs with typical formatting can be produced at no charge to State of Delaware; additional fees may be charged for advanced features.

Registered users of fishersci.com with a Fisher account number are also able to view their most recent account information as they place orders, including up-to-date contract pricing and product availability.

Fisher Scientific Account Management Team for internet order placement:

Fisher Account Team Member	Contact Information
Eric Patterson Region Vice President	1-800-955-9999x121-3910 Eric.Patterson@thermofisher.com
Phong Nguyen Region Manager	1-800-955-9999x199-3102 Phong.Nguyen@thermofisher.com
Dick Keck Account Representative	1-800-955-9999x199-3440 Dick.Keck@thermofisher.com
Allison Kimball Account Representative	1-800-955-9999x199-2196 Allison.Kimball@thermofisher.com
Roy Roseberry Business Solutions Consultant	1-800-955-9999x199-2192 Roy.Roseberry@thermofisher.com
Scott Glazier Chemical Specialist	1-800-955-9999x199-2254 Scott.Glazier@thermofisher.com
Kristine Welch Bissell Life Science Specialist	1-800-955-9999x121-3782 Kristine.Bissell@thermofisher.com

18. **Quality and Safety**:

Fisher agrees to sell only new and unused product under this agreement. These products will meet all state, federal, and local standards for quality and safety. The products included in this agreement are those listed in Fisher's current catalogs and price book. Such catalogs will be made available to all agencies, departments, individual facilities, and/or political subdivisions that make such requests. This information is also available on our website. Fisher cataloged products may be added to, or deleted from those listed at the sole discretion of Fisher. Fisher will endeavor to supply items not cataloged by Fisher ("Specials") at the request of the Customer. No substitutions of the brands of products ordered will be made without the consent of the ordering agency; however, Fisher will proactively present the State with substitute equivalent products should there be an opportunity for cost savings.

19. **INTERNET ORDERING REBATE**

We are offering a 50 cent per line rebate to State agencies on all orders placed through www. fishersci.com. Once the agency exceeds 50% of all orders placed via the internet, this rebate will increase to $1.00 per line. The rebate will be paid in the form of credit for goods purchased by the respective State agency (at the 9-digit account level).

All invoices will be sent to the ordering agency on Fisher's standard billhead upon shipment of the order. Our remittance address appears on all invoices.

All charges for routine deliveries shall be fully prepaid by Fisher; e.g., FOB destination, prepaid and allowed. The cost associated with emergency deliveries as a result of a Customer request will be prepaid and charged to the ordering agency. Fisher will continue to absorb any special handling fees that may be assessed by some of our vendors for products requiring special handling. These may include, but are not limited to, temperature sensitive products, radioactive products, highly toxic products, etc., and products which are coming from one of our non-franchised vendors. Any such charges will be conveyed to the ordering agency at the time of order placement.

With our extensive distribution network and advanced e-commerce technology, Fisher ships more than 95% of its customer orders in the U.S. within 24 hours of order placement. We've updated every facility, installed automated order processing, and increased the breadth of our inventory. Whenever possible, we pick, pack, and ship orders from one location. Our warehouse in Newark, DE, serves the State of Delaware accounts. Fisher's transportation specialists work with carriers and suppliers to provide accurate, same-day shipment on orders received by 2 p.m. In addition, we offer Host Access through a partnership with UPS. Our advanced order-handling system provides direct communication between the Fisher mainframe and UPS computers so that the status of your order can be tracked quickly and easily.

20. **ORDERING PROCEDURE:**

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

21. **HOLD HARMLESS**:

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by the negligent acts or omissions or willful misconduct of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement. In no event will either party be liable hereunder for consequential, incidental, indirect or exemplary damages, regardless of whether advised of the possibility of such damages.

22. **NON-PERFORMANCE**:

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

23. **FORCE MAJEURE**:

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

24. **AGENCY'S RESPONSIBILITIES**:

The Agency shall:

a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.

b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.

25. **APPENDIX A - PRICING GRID, SEE ATTACHED SPREADSHEET**

- a. Core list pricing
- b. Customer Discount Code [CDC] file - percentage off listing
- c. Vendor specific list of percentage off discounts.