

Agreement

This **Agreement** is made and entered into effective the **1st day of June, 2005**, by and between **Sample Office Products**, with principle address at Cincinnati, Ohio 45246 (hereinafter "Company") and the **Cincinnati Bar Association** ("Association"), with principle address at 225 East Sixth Street, 2nd Floor, Cincinnati, Ohio 45202 and is entered into under the following circumstances:

- a. The Association is an organization whose members are legal professionals ("Members").
- b. The Company sells office supplies and products ("Office Products"). Office products shall include any items featured in Company's general line catalog. This catalog typically features 28,000 different items. Office products will also be featured in a spiral-bound 6,000 item net priced catalog.
- c. The Association has agreed to recommend to the Members that they purchase Office Products from the Company.
- d. The Company has agreed to pay a rebate to the Association based on sales by the Company to the Association and Members.

NOW THEREFORE, in mutual consideration of the promises contained herein, the parties agree as follows:

1. **Recommendation by Association.**
 - a. During and limited to the term of this Agreement, the Association agrees (i) on an exclusive basis, to recommend that Members purchase Office Products from the Company, and (ii) not to recommend any other supplier of competing office supplies and products. The obligation of the Association to recommend the Company and the Office Products shall terminate upon termination of this Agreement.
 - b. Such recommendation may not be used for other than marketing to the Members of the Association without the prior written consent of the Association.
 - c. In marketing and selling Office Products to the Members, the Company may represent that the Association has recommended the Company as the preferred provider of Office Supplies and encourages its Members to purchase Office Products from the Company. The Association reserves the right to approve in advance all materials which will bear the name or logo of the Association and to impose reasonable limitations on any direct mailing to the Members of the Association.

- d. The Association will provide to the Company a letter of introduction introducing the Company to its Members. The Association will provide database information of Member names and addresses to allow the Company, at its expense, to mail a copy of the letter to all Members.
- e. The Association will provide a free introductory article in the *CBA Report* magazine to introduce the Company to Association Members. Free listings will also be provided on the Association website and member benefit flyers. The Company may advertise, at preferred vendor rates, at the Company's expense in the *CBA Report* and Legal Directory and any other Association venues the Company determines are necessary above and beyond the advertising required by this Agreement.
- f. The Association will provide timely approval of all Company advertising and will provide free of charge the Member database information, names and addresses, for the purpose of marketing the Office Products from the Company.
- g. Neither the Association nor its Members are obligated to purchase Office Products from the Company. The Association shall have no liability with respect to any obligations of its Members to pay for Office Products sold by the Company to the Members.

2. Rebate to the Association. In consideration for the recommendation by the Association, during and limited to the term of this agreement, the Company agrees to pay to the Association a rebate ("Rebate") equal to 1.5% of the current paid sales made by the Company to all Members and the Association. The Rebate will be paid quarterly due on or before the following dates: 4/30 for first quarter, 07/31 for second quarter, 10/31 for third quarter and 01/31 for fourth quarter. Each Rebate payment will be accompanied by a statement from the Company disclosing the current paid sales for the quarter and a printout showing paid sales for each Member. For purposes of this Paragraph 2, "Paid Sales" means the gross paid sales realized by the Company on the sale by the Company of Office Products to the Members and Association, less any applicable sales tax, if any.

For annual sales from Association Members that total more than the prior year sales, using 2004 sales of \$40,000 as the base sales, an additional rebate of the sales above the prior years total sales will be paid in the first quarter of the following year. This rebate will be calculated by subtracting the prior year sales from the current years sales and multiplying the difference by 3%.

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3. Company's Obligations.

- a. Company shall commit to provide experienced customer service persons and offer the best possible customer service to the Members. Each of the Member's locations shall have an assigned account executive.

- b. Company's delivery persons shall be courteous and informed as to specific delivery requirements of individual Member locations.
- c. Company shall provide line item fill rates of at least 96% for current catalog merchandise and next day delivery of orders placed the previous business day before 5:00 p.m.
- d. Invoicing shall occur on a next day basis, or as otherwise determined by account executive and Member location.

Pricing to Members and Association. During and limited to the term of this Agreement, the Company agrees to provide the Association and Members who purchase Office Products pricing according to attached Exhibit A, and as updated twice annually.

- e. Company shall place a minimum of \$1,000 of advertising in Association *CBA Report* and/or *CBA Legal Directory*, annually or on a pro rata basis as long as this agreement is in effect. Association will provide preferred vendor rates for such advertising.

f. Company shall participate as a sponsor at the Annual Member Benefit Open House at the cost of \$250.

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g. Company shall assist with the distribution of the CBA Legal Directories to all purchasers within the I-275 Beltway. Under this agreement, the Company is required to be available to assist with distributing books from June 15, 2005 through June 30, 2005. After June 30, the Company may assist with delivery of books as set forth in an agreed upon schedule between the Company and the Association. The Company agrees to cover all transportation costs incurred in distributing the Legal Directories.

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- g. Company will promote the placement of orders via Company's Internet ordering system. Other methods of ordering shall include telephone calls to Company's customer service or by fax to Company.
- h. Company will inform Members that the Company's customer service shall be contacted to arrange for return of any item purchased from Company. Request for return of merchandise must be done within thirty (30) days of purchase, and merchandise is to be returned in original manufacturer packaging and in re-sellable condition.
- i. Company shall inform Members who purchase products that shipping errors and damage must be reported to Company's customer service within 48 hours of delivery. Company shall immediately correct any such error or damage.
- j. Company shall inform Members who purchase products that payment by Member to Company shall be within thirty (30) days from date of invoice.

4. Access to the Records of the Company.

- a. Solely for purposes of verifying the proper payment of Rebates, upon request the Company will make available to the Association the Company's records as they relate to the sale by the Company of Office Products to the Association and Members.

5. Term and Termination.

- a. **Initial Term and Renewal Terms.** This Agreement shall continue until December 31, 2006 and thereafter, will be renegotiated. The Company or Association may give 30 days written notice of termination at any time.
- b. **Effect of Termination.** Effective upon the date of termination of this Agreement (including the expiration of the term of this Agreement), the Company shall immediately cease making any reference to the Association or to the Association's recommendation and shall cease use of all Association database information.

- 6. Disputes.** Any controversy arising out of, or relating to, the Agreement or a breach, shall be settled by binding arbitration pursuant to the provisions of chapter 2711 of the Ohio Revised Code, or any successor chapter to that which sets forth a similar method of arbitrating disputes.

- 7. Indemnification.** The Association shall have no liability or responsibility with respect to the Office Products and the sale of such Office Products by the Company to the Association's Members. The Company shall indemnify and hold the Association harmless from any claims, demands, suits, or judgments against the Association, and expenses (including reasonable attorneys' fees) relating thereto and arising out of any claim by a Member that the Office Products are defective or that the Company has otherwise breached any obligation it may have to such Member with respect to the sale and delivery of the Office Products by the Company to such Member.

- 8. Confidentiality.** The parties agree that the terms of this Agreement, together with the information either party may learn or develop about the other shall be maintained in the strictest confidence, shall be used for no other purpose than pursuant to the terms hereof, and shall be disclosed only to those individuals within either organization who have a need to know and who are advised of and agree to abide by the terms of this confidentiality provision.

9. Miscellaneous.

- a. This Agreement may not be assigned by either party without the prior written consent of the other party. This Agreement shall inure to the benefit of and be binding upon the parties, their

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respective successors, and permitted assigns.

- b. A failure of either party to enforce, at any time, any of the provisions of this Agreement shall in no way be construed to be a waiver of such provision.
- c. In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid or unenforceable, the remaining provisions of this Agreement shall be unimpaired.
- d. This Agreement contains the entire understanding between the parties and there no other promises, agreements, covenants or conditions. Any amendments or modifications of this Agreement shall be effective only if in writing and signed by both parties.
- e. This Agreement shall be interpreted and construed in accordance with the laws of the State of Ohio.
- f. All notices required or permitted to be given pursuant to this Agreement shall be given by first class mail, postage prepaid, or by private courier, addressed as follows:

To the Association:

Peggy E. Gruenke
Membership Director
Cincinnati Bar Association
225 East Sixth Street, Second Floor
Cincinnati, Ohio 45202

To the Company:

Kris Wishard
President
Sample Office Products
4924 Provident Drive
Cincinnati, OH 45246

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IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first set forth above.

CINCINNATI BAR ASSOCIATION

By _____

Its _____

SAMPLE OFFICE PRODUCTS

By _____

Its _____