

CONTRACT NUMBER C801726	AMOUNT
TAXPAYER'S FEDERAL/EMPLOYER IDENTIFICATION NUMBER 52-1595269	

AGREEMENT

THIS AGREEMENT, made and entered into this 22nd day of December, 1998 in the State of California, by and between the Trustees of the California State University, which is the State of California acting in a higher education capacity, through its duly appointed and acting officer, hereinafter called the University, and

CONTRACTOR NAME Spicers Paper, Inc., hereinafter called the Contractor,

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements and stipulations of the University hereinafter expressed, does hereby agree to furnish to the University services and materials as follows:

This is a Master Enabling Agreement setting forth the pricing, terms and conditions for the purchase of various grades of paper stock under which each campus and administrative office of the California State University may participate. Campuses shall execute a Master Agreement Order in accordance with provisions in Rider G to secure services/commodities under this Agreement. For the purposes of this Agreement the terms "campuses" shall include severally any campus or administrative office which executes a Master Agreement Order. Payments shall be made in accordance with the provisions of each Master Agreement Order executed pursuant to this Agreement.

The following documents, by reference, are incorporated herein and made part of this Agreement:

- Rider A, CSU General Provisions for Commodity and Service Acquisitions, consisting of 6 pages;
- Rider B, Supplemental Terms and Conditions, consisting of 4 pages;
- Rider C, Contractor's Cost Sheets, consisting of 2 pages;
- Rider D, CSU Participant Ordering Locations, consisting of 1 page;
- Rider E, Contractor's Account Locations, consisting of 1 page;
- Rider F, Optional Higher Education Participants, consisting of 1 page;
- Rider G, Sample Campus Master Agreement Order, consisting of 1 page.

The term of this Agreement shall begin on January 15, 1999 and continue until January 14, 2002 with the option of extending the Agreement for up to two (2) additional one (1) year periods.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto, upon the date first above written.

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY		CONTRACTOR	
UNIVERSITY		CONTRACTOR	
Trustees of the California State University		Spicers Paper, Inc.	
BY (AUTHORIZED SIGNATURE)	DATE	BY (AUTHORIZED SIGNATURE)	DATE
<i>Don Smalley</i>	1-11-99	<i>William C. Swisher</i>	1-7-99
PRINTED NAME OF PERSON SIGNING		PRINTED NAME OF PERSON SIGNING	
Don Smalley		William C. Swisher, Administrative Manager	
Coordinator Procurements & Contracts		ADDRESS 30108 Eigenbrodt Way Union City, CA 94587	

AMOUNT ENCUMBERED BY THIS DOCUMENT	PROGRAM/CATEGORY (CODE TITLE)			
\$0.00	(OPTIONAL USE)			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT	ITEM	CHAPTER	STATUTE	FISCAL YEAR
\$0.00			1998	1998/99
TOTAL AMOUNT ENCUMBERED TO DATE	OBJECT OF EXPENDITURE (CODE AND TITLE)			
\$0.00				

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and Purpose of the expenditure state above.

SIGNATURE OF ACCOUNTING OFFICER	T.B.A. NO.	B.R. NO.
	DATE	

GENERAL PROVISIONS FOR COMMODITY AND SERVICE ACQUISITIONS

Contractor agrees to these General Provisions as well as the other provisions contained in the Contract. In these General Provisions, the Trustees of the California State University are referred to as "CSU" or "University." The terms "bid" and "proposal" are synonymous, as are the terms "Contract" and "agreement." The terms "Bidder", "Proposer", and "Contractor" are also used interchangeably and each shall apply to the business entity which submits a bid/proposal or is awarded a contract.

1. Preparation of Bids and Proposals:

- (a) It shall be bidder's responsibility to examine any drawings, specifications, and instructions.
- (b) All prices and notations must be word-processed, printed in ink, or typewritten.
- (c) All bids submitted, including electronic bids, must indicate unit prices for each separate line item quoted in addition to showing the totals. In case of discrepancy between the unit price and the extension set forth for the item, the unit price shall prevail; however, if the amount set forth as a unit price is ambiguous, unintelligible, or uncertain for any cause, or is omitted, the amount set forth in the "Extension" column shall be divided by the quantity for the item and the price thus obtained shall be the unit price. In case of discrepancy between the totals shown on the bid form and the actual sum of the item totals, the actual sum of all item totals shall prevail.
- (d) Brand names: Any reference to brand names and numbers in the bid solicitation is intended to be descriptive, but not restrictive, unless otherwise specified. Bids on equivalent items meeting the indicated standards of quality will be considered, unless otherwise specified, providing the bid clearly describes the article offered and how it differs from the reference brands. Unless the bidder specifies otherwise in the bid, it is understood that the bidder is offering a referenced brand item as specified in the bid solicitation. The University reserves the right to determine whether a substitute offer is equivalent to and meets the standards of quality indicated by the brand name references; the University may require a bidder offering a substitute to supply additional descriptive material and a sample.
- (e) Time of delivery (whether a commodity or a service) is a part of the bid and must be strictly observed. Time, if stated as a number of days, shall mean calendar days.

2. Submission of Bids:

- (a) Whenever the University so designates, bids must be signed and sealed, with the bid number, bidder's name and address, and closing date, on the outside of the envelope.
- (b) Bids or partial bids, and modifications or corrections thereof received after the closing time specified may not be considered.

3. Revisions in Bid Solicitation: In the event a bidder believes that the University's bid solicitation is unfairly restrictive or has substantive errors or omissions in it, the matter must be promptly brought to the attention of the University's procurement office, either by telephone, telegraph, letter, or visit, immediately upon receipt of the bid solicitation, in order that the matter may be fully considered and appropriate action taken by the University prior to the closing time set for bids.

4. Removal of Names from Bidders' List: The University may remove the name of any vendor or contractor from its lists of potential bidders whenever the University has received no recent responses to its bid solicitations from that vendor or contractor.

5. Award of Contracts or Purchase Orders:

- (a) Contracts will be made or entered into with (1) the lowest responsible bidder meeting specifications, (2) the bidder with the highest score attained at the end of a competitive evaluation process, or (3) as otherwise specified in the bid solicitation. The University reserves the right to determine the results of the prescribed evaluation process and the awardee.
- (b) Purchase orders will be made or entered into with the lowest responsible bidder meeting specifications, except as otherwise specified in the bid solicitation. Where more than one item is specified in the bid solicitation, the University reserves the right to determine the low bidder either on the basis of individual items or on the basis of all items included in the bid solicitation.

- (c) Unless the bidder specifies otherwise in the submitted bid, the University may accept any portion or group of items or services offered in the bid, or accept none of them at all.
- (d) The University reserves the right to reject any or all bids and to waive informalities and minor irregularities in bids received.
- (e) A University purchase order mailed or otherwise furnished to the successful bidder within the time for acceptance specified in the bid solicitation results in a binding agreement without further action by either party. The binding agreement shall be interpreted, construed, and given effect in all respects according to the laws of the State of California.

6. Discounts, Invoices, and Payments: In connection with any discount offered, except when provision is made for a testing period preceding acceptance by the University, time will be computed from date of delivery of the commodities as specified, or from date correct invoices are received in the office specified by the University if the latter date is later than the date of delivery. When provision is made for a testing period preceding acceptance by the University, date of delivery shall mean the date the supplies, equipment or services are accepted by the University following the specified testing period. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing the University warrant or check.

The Contractor shall submit invoices to the University for payment of goods and services rendered. Invoices for purchases of products and associated fees are not due and payable until successful completion of any applicable acceptance testing. Unless invoice payment deadlines are otherwise specified in the bid solicitation, purchase order, or contract, the provisions of Sections 926.15 and 926.17 of the California Government Code concerning payment deadlines and penalties shall prevail.

7. Document Referencing: All correspondence, invoices, bills of lading, shipping memos, packages, etc., must show the Contract number. If factory shipment, the factory must be advised to comply.

8. Taxes, Fees, Expenses, and Extras:

- (a) Articles sold to the University are exempt from certain Federal Excise Taxes. The University will furnish an exemption certificate on request.
- (b) Unless specified otherwise, prices quoted shall include all required taxes.
- (c) No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by the University unless expressly included and itemized in the bid.

Unless otherwise indicated on the Purchase Order or Contract, on "FOB Shipping Point" transactions vendor shall arrange for lowest cost transportation, prepay, add freight to invoice, and furnish supporting freight bills over \$50.

Shipments that are California intrastate in nature and where freight is to be borne by the University shall be tendered to carriers with written instructions that rates and charges may not exceed the lowest lawful rates on file with the California Public Utilities Commission.

On "FOB Shipping Point" transactions, should any shipments under this Purchase Order or Contract be received by the University in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers by wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper, such as inadequate packing or loading or some inherent defect in the equipment and/or material, vendor on request of the University shall at vendor's own expense assist the University in establishing carrier liability by supplying evidence that the equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.

9. Governing Law: All contracts and purchase orders shall be construed in accordance with, and their performance governed by, the laws of the State of California. Further, Contractor shall comply with any State or federal law applicable to Contractor's performance under this Contract.

10. Assignments: Without written consent of the CSU, the Contract is not assignable by Contractor either in whole or in part.

11. Independent Status: The Contractor, and the agents and employees of Contractor, in the performance of this Contract, shall act in an independent capacity and not as officers or employees or agents of the State of California. While Contractor may (or may not) be required under the terms of this Contract to carry Worker's Compensation Insurance, Contractor is not entitled to unemployment or workers' compensation benefits from the CSU.

12. Conflict of Interest:

- (a) The Contractor shall not utilize any information, not a matter of public record, which is received by reason of this Contract, for pecuniary gain not contemplated by the terms of this Contract, regardless of whether the Contractor is or is not under Contract with the CSU at the time such gain is realized. Any report, survey, or product developed by the Contractor pursuant to this Contract is the property of the CSU, and shall not be used in any manner by the Contractor unless authorized by the CSU. Breach of this provision will make the Contract voidable at the Trustees' option, and the

Contractor shall be liable for any other damages incurred by the CSU as the result of such breach (Education Code, Section 89006).

- (b) The CSU requires a Statement of Economic Interests (Form 700) to be filed by any Consultant (or Contractor) who is involved in the making, or participation in the making, of decisions which may foreseeably have a material effect on any CSU financial interest [reference G.C. 82019].
13. Time: Time is of the essence of the Contract.
14. Contract Alterations & Integration: No alteration or variation of the terms of the Contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
15. Commencement of Work: Work shall not commence under the Contract until a fully executed agreement has been received by the Contractor and the Contractor has been given approval to proceed. Any work performed by the Contractor prior to the date of approval shall be considered as having been performed at the Contractor's own risk and as a volunteer.
16. Non-Performance by Contractor: The CSU may terminate the Contract and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, the CSU may proceed with the work in any manner deemed proper by the CSU. The cost to the CSU shall be deducted from any sum due the Contractor under the Contract, and the balance, if any, shall be paid the Contractor upon demand.
17. General Indemnity: The Contractor agrees to indemnify, defend and save harmless the University, its officers, agents and employees from any and all claims and losses accruing or resulting to any other person, firm or corporation furnishing or supplying work, service, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation which may be injured or damaged by the Contractor in the performance of this Contract.
18. Appropriation of Funds:
- (a) If the term of the Contract extends into fiscal years subsequent to that in which it is approved such continuation of the Contract is subject to the appropriation of funds for such purpose by the Legislature. If funds to effect such continued payment are not appropriated, Contractor agrees to take back any commodities furnished under the Contract, terminate any services supplied to the University under the Contract, and relieve the University of any further obligation therefor.
- (b) University agrees that if provision (a) above is involved, commodities shall be returned to the Contractor in substantially the same condition in which they were delivered, subject to normal wear and tear. University further agrees to pay for packing, crating, transportation to Contractor's nearest facility and for reimbursement to Contractor for expenses incurred for its assistance in such packing and crating.
19. Unfair Practices Act: Bidders shall comply and bids shall be in accordance with the Unfair Practices Act (Business and Professions Code Section 17000 et seq.).
20. Nondiscrimination:
- A. During the performance of this Contract, Contractor and its subcontractors shall not deny the Contract's benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (over 40) or sex. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.
- B. Contractor shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.), and the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code Sections 11135-11139.5).
- C. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the Trustees upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours notice, to such of its books, records, accounts, other sources of information, and its facilities as said Department or Trustees shall require to ascertain compliance with this clause.
- D. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- E. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the agreement.

21. Violation of Air or Water Pollution Laws: Unless the Contract is less than \$5,000.00 or with a sole-source provider, Government Code Section 4477 prohibits the State from contracting with a person, including a corporation or other business association, who has been determined to be in violation of any State or federal air or water pollution control law. If such determination is final, Government Code Section 4481 requires the State Water Resource Control Board and the Air Resources Board to notify State agencies of such persons.
- Prior to an award, the University shall determine whether the intended awardee is a person included in notices from the Boards by reference to notices. No award will be made to a person who is identified either by the published notices or by Board notification as a person in violation of State or federal air or water pollution control laws.
22. Compliance with NLRB Orders: In submitting a bid or signing a contract the Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.
23. Examination and Audit: For contracts in excess of \$10,000, the Contractor shall be subject to the examination and audit of (a) the Office of the University Auditor, and (b) the State Auditor, for a period of three (3) years after final payment under the contract in accordance with Government Code Section 8546.7 and with Education Code Section 89045(c & d), respectively. The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the Contract.
24. Drug-Free Workplace Certification: By accepting a contract or purchase order, the Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8355 et. seq.) and will provide a drug-free workplace by doing all of that which Section 8355 et seq. require.
25. Forced, Convict and Indentured Labor: Contractor agrees that no foreign-made equipment, materials, or supplies furnished to the State pursuant to this Contract have been produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction. (Public Contract Code Section 6108).
26. Contractor Compensation: The consideration to be paid Contractor, as described within the Contract, shall be in full compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.
27. DVBE and Small Business Participation: The State of California supports statewide participation goals of 3% for disabled business enterprises, (DVBE Program) and requires agencies to provide a 5% preference when awarding contracts to small businesses. Only small businesses certified by the Office of Small and Minority Businesses (OSMB) are eligible to receive the preference. The University encourages all contractors to use the services of DVBE and OSMB-certified small business enterprises whenever possible, and to report their use to the University.
28. Citizenship and Public Benefits: If Contractor is a natural person, Contractor certifies in accepting this Contract that s/he is a citizen or national of the United States or otherwise qualified to receive public benefits under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193; 110 STAT.2105, 2268-69).
29. Financing of Acquisition: Bidder shall include within the contents of its bid proposal the best financing alternatives it has to offer the University whenever the bid solicitation expresses the University's desire to consider financing (including third-party possibilities) as an option.
30. Patent, Copyright, and Trade Secret Indemnity: A contractor may be required to furnish a bond to the University against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement. In addition:
- (a) The Contractor, at its own expense, shall defend any action brought against the University to the extent that such action is based upon a claim that the product supplied by the Contractor or the operation of such product infringes a United States patent or copyright or violates a trade secret. The Contractor shall pay those costs and damages finally awarded against the University in any such action. Such defense and payment shall be conditioned on the following:
 - (1) That the Contractor shall be notified within a reasonable time in writing by the University of any notice of such claim; and,
 - (2) That the Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when principles of government or public law are involved, the University have the option to participate in such action at its own expense.
 - (b) Should the product, or the operation thereof, become, or in the Contractor's opinion is likely to become, the subject of a claim of infringement of a United States patent or copyright or a trade secret, the University shall permit the Contractor at its option and expense either to procure for the University the right to continue using the product, or to replace or modify

the same so that they become non-infringing. If neither of these options can reasonably be taken, or if the use of such product by the University shall be prevented by injunction, the Contractor agrees to take back such product and make every reasonable effort to assist the University in procuring a substitute product. If, in the sole opinion of the University, the return of such infringing product makes the retention of other products acquired from the Contractor under this contract impractical, the University shall then have the option of terminating the contract, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such product and refund any sums the University has paid Contractor less any reasonable amount for use or damage.

- (c) The Contractor shall have no liability to the University under any provision of this paragraph with respect to any claim of patent, copyright or trade secret infringement which is based upon the combination or utilization of the product furnished hereunder with commodities or devices not made nor furnished by the Contractor.

31. Covenant Against Gratuities: The Contractor shall warrant that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the University with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the University shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the University in procuring on the open market any items which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the University provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

32. Rights and Remedies of University for Default:

- (a) In the event any item furnished by the Contractor in the performance of this Contract should fail to conform to the specifications therefor, or to the sample submitted by the Contractor with the bid, the University may reject the same, and it shall thereupon become the duty of the Contractor to reclaim and remove the same forthwith, without expense to the University, and immediately to replace all such rejected items with others conforming to such specifications or samples; provided that should the Contractor fail, neglect, or refuse to do so, the University shall thereupon have the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any moneys due or that may thereafter become due to the Contractor the difference between the price named in the Contract and the actual cost thereof to the University.
- (b) In the event the Contractor shall fail to make prompt delivery as specified of any item, the same conditions as to the right of the University to purchase in the open market and to reimbursement set forth above shall apply, except for force majeure. Except for defaults of subcontractors, neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of the offending party. Such acts (known as "force majeure") shall include but shall not be limited to fire, strike, freight embargo or acts of God and of the Government. If a delay or failure in performance by the Contractor arises out of a default of its subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.
- (c) In the event of the cancellation of the Contract, either in whole or in part, by reason of the default or breach thereof by the Contractor, any loss or damage sustained by the University in procuring any items which the Contractor therein agreed to supply shall be borne and paid for by the Contractor.
- (d) The rights and remedies of the University provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

33. Assignment of Antitrust Actions: The bidder's attention is directed to the following provisions of Government Code Sections 4552, 4553, and 4554, which shall be applicable to the bidder:

In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the procurement body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the procurement body pursuant to the bid. Such assignment shall be made and become effective at the time the procurement body tenders final payment to the bidder (Government Code Section 4552).

If an awarding body or public procurement body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery (Government Code Section 4553).

Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for

which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action (Government Code Section 4554).

34. Noncollusion Affidavit: By signing the bid, Bidder hereby certifies that the bid is not made in the interest of, or on behalf of, any undisclosed party; that the bid is genuine and not collusive, false, or sham; that the Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid, and has not directly or indirectly agreed with any Bidder or anyone else to put in a false or sham bid, or to refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought to fix any overhead, profit or cost element of the bid, of that of any other Bidder, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract.
35. Conflict With Existing Law: The Contractor and the University agree that if any provision of the Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either party having knowledge of such term or provision shall promptly inform the other of the presumed non-applicability of such provision. Should the offending provision go to the heart of the Contract, the Contract shall be terminated in a manner commensurate with the interests of both parties, to the maximum extent reasonable.
36. Contractor's Warranty: The Contractor warrants that it has full power and authority to grant the rights herein granted and will hold the University hereunder harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party which might abridge any rights of the University under this Contract.
37. Protests and Disputes: Potential bidders are afforded the opportunity to take exception to or "protest" the specifications and/or requirements of the bid solicitation. Such protests must be conveyed in writing to the University and also be resolved in writing by the University each within the timeframes specified, prior to the scheduled bid submittal deadline. However, any protests of specifications or requirements received after the deadline identified in the bid solicitation shall be considered untimely and shall be rejected. The University's decision on a protest is final.

If, prior to award of a contract, a protest is received in writing within the timeframe specified within the bid solicitation and filed on the grounds that the intended award is not in conformance with the specifications or requirements of the bid solicitation, the contract shall not be awarded until the protest has been withdrawn or a decision has been reached by the University. The University shall review the merits and timeliness of the protest and submit a decision in writing or otherwise furnish to the bidder the decision in such a manner as to ensure receipt. The University's decision on a protest is final.

RIDER B
SUPPLEMENTAL TERMS AND CONDITIONS

1. Products

Products covered under this Agreement are various grades of paper products compatible with high-speed copiers, duplicators, computer printers and offset presses; various sizes of computer paper; and other additional fine paper products from Contractors general catalog. Quality of products are covered under Rights and Remedies of University for default specified in IFB.

2. Dispute Resolution

Any dispute arising under the terms of this Agreement which is not resolved within a reasonable period of time by authorized representatives of the Contractor and the CSU shall be brought to the attention of the Chief Executive Officer (or designated representative) of the Contractor and the Chief Business Officer (or designee) of the CSU for joint resolution. At the request of either party, the CSU shall provide a forum for discussion of the disputed item(s), at which time the Vice Chancellor, Business and Finance (or designated representative) of the CSU shall be available to assist in the resolution by providing advice to both parties regarding the CSU contracting policies and procedures. If resolution of the dispute through these means is pursued without success, either party may seek resolution employing whatever remedies exist in law or equity beyond this Agreement.

3. Ordering

Products included in this Agreement may be ordered by faculty and/or staff of participating campuses. Also:

1. No minimum ordering size or value is required, except that white bond paper and computer paper will be 1 case minimum.
2. Unfilled items and partials shall be indicated on the packing list.
3. Upon order receipt, bidder will notify the requester within two hours if items are out of stock; requestor will have the option to request back-order, substitute for available product, or cancel.
4. Unilateral product substitutions are not authorized without the approval of the participating campus.

4. Delivery

Orders shall be delivered as directed by participating campuses/affiliates. Centralized delivery shall be to one centralized location on a campus. Desktop delivery shall be to individual departmental offices on a campus. All orders to campuses shall be delivered within forty eight (48) hours of order receipt except that "direct mill" shipments will be delivered within four (4) days of order receipt.

5. Campus Invoices and Payments

The Contractor shall submit invoices to the participating campuses for payment of goods and services rendered in accordance with the invoicing instructions of each participating campus. Payment discount terms are 2% 11 days.

6. Pricing Conditions

Prices for contract items shall remain firm for the initial 6-month term of the agreement. The CSU will entertain a price increase at 6-month increments for the duration of the contract. The vendor shall provide the CSU with mill documentation 20 days in advance of invoicing the campus for a price increase. Any decrease in the mill pricing will automatically be invoiced at the lower rate.

CSU may negotiate price changes with vendor based on mill's cost increases or decreases.

The CSU Paper Committee shall be the authorized agent in any such negotiations with the Contractor regarding price issues. All requests for price revisions shall be fully documented and subject to acceptance by the CSU prior to incorporation in the Agreement. Bidders may be required to provide certified mill's invoices for verifications of baseline prices before markup.

Pricing for Bond Copier and Computers Paper in accordance with Cost Sheet, Rider C. Pricing for additional catalog items shall be discounted at 25% off list price. Pricing for desktop delivery shall include a delivery cost.

7. Reporting Requirements

Contractor shall provide, at no additional cost, product/materials summary reports of product purchases in accordance with specifically established reporting schedules for each participating campus as well as the aggregate for the CSU, to include but not limited to, the following:

- a. Quarterly and annual reports for all items purchased under this Agreement, showing at minimum, total quantity of each item purchased, unit price, subtotals by product/material type, and total dollars, broken out by participating campus and system wide.
- b. Quarterly and annual reports (broken out by participating campuses and system wide) to include utilization of certified OSMB, certified Disabled Veteran Business enterprise participation and purchases of recycled paper products.
- c. Contractor shall make standard and customized reports available to the CSU and participating campuses upon request.

Reports shall be submitted by the 25th of the month following the close of the reporting period. Prompt and accurate reporting is an essential part of the Agreement.

8. Insurance

The following insurance will be required of the contractor for participating campuses:

1. Contractor shall furnish to the University prior to the commencement of work an underwriter's endorsement with a certificate of insurance stating that there is liability insurance presently in effect for the contractor with a combined single limit of not less than \$1,000,000 per occurrence, and \$2,000,000 aggregate; and that vehicle insurance (where applicable) is in effect with a minimum coverage of \$1,000,000 per occurrence.
2. The certificate of insurance shall provide:
 - (a) That the insurer will not cancel the insured's coverage without thirty-(30) days prior notice to the University.
 - (b) That the State of California, the Trustees of the California State University, the University, and the employees, officers, and agents of each of them, are included as additional insureds, but only insofar as the operations under this contract is concerned.
 - (c) That the State, the Trustees, and the University, and the employees, officers and agents of each of them will not be responsible for any premiums or assessments on the policy.

3. Contractor agrees that the bodily injury liability insurance herein provided shall be in effect at all times during the term of this contract. In the event said insurance coverage expires at any time or times during the term of this contract, contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the University, and the contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event contractor fails to keep in effect at all times insurance coverage as herein provided, the University may in addition to any other remedies it may have, terminate this contract upon the occurrence of such event.

4. Subcontractors:
Contractor shall either require each subcontractor to procure and to maintain during the term of the subcontractor, public liability insurance in the amount specified above, or shall insure the activities of subcontractor in the policy specified in "1".

5. Acceptability of Insurers:
Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A VII.

**RIDER C
COST SHEETS**

1.	Recycled Bond Paper, White, 20 lb.	Brand: Eureka
	<u>86 Brightness</u>	<u>Cost</u>
	8-1/2" X 11	\$21.23 per case
	Same as above No. of cases 840	\$16,279.20 per carload
	Same as above	\$8250.90 per 1/2 carload
	8-1/2" X 14	\$27.00 per case
	11 X 17	\$21.23per case
2.	<u>84 Brightness</u>	
	8-1/2" X 11	\$20.11 per case
	Same as above No. of cases 840	\$15,414.00 per carload
	Same as above	\$7,812.00 per 1/2 carload
	8-1/2" X14	\$25.58 per case
	11 X 17	\$20.11 per case
3.	Virgin Bond Paper, White, 20lb.	Brand: Eclipse
	<u>86 Brightness</u>	
	8-1/2" X 11	\$19.54 per case
	Same as above No. of cases 840	\$14,985.60 per carload
	Same as above	\$7,595.70 per 1/2 carload
	8-1/2" X 14	\$24.86 per case
	11 X 17	\$19.54 per case

4. **84 Brightness**

8-1/2 X 11		\$18.40 per case
Same as above	No. of cases 840	\$14,124.60 per carload
Same as above		\$7,158.90 per 1/2 carload
8-1/2 X 14		\$23.43 per case
11 X 17		\$18.40 per case

5. **Recycled Colored Paper, 20 lb.**

Brand: Eureka 30

8- 1/2 X 11	\$2.76 per ream
8 -1/2 X 14	\$3.66 per ream

Computer Paper, 20 lb.

6. **Recycled Computer Paper**

Brand: William House - Infinity

9-1/2 X 11, 1 ply, perf on both sides, white	\$4.60 per 1,000 sheets
14- 7/8 X 8-1/2", 1/2" 1 ply, green/blue bar	\$5.68 per 1,000 sheets
14-7/8 X 11", 1/2" 1 ply, green/blue bar	\$7.24 per 1,000 sheets

7. **Virgin Computer Paper**

Brand: William House - Infinity

9-1/2 X 11, 1 ply, perf on both sides, white	\$4.33 per 1,000 sheets
14-7/8 X 8-1/2", 1 ply, 1/2" green/blue bar	\$5.32 per 1,000 sheets
14-7/8 X 11, 1 ply, 1/2" green/blue bar	\$6.82 per 1,000 sheets

8. **Additional Office Paper Products**

Fine paper price catalog (or full-line paper catalog)
25 % off list

9. **Discounts**

Cash Payments Terms
(Discounts of less than ten (10) days will not be considered in evaluation)

2 % 11 days

10. **Desktop deliveries will include a standard delivery charge.**

RIDER D
THE CALIFORNIA STATE UNIVERSITIES ORDERING LOCATIONS

CAMPUS, ADDRESS, PROCUREMENT OFFICER OR DESIGNATED PERSON, PUBLIC TELEPHONE NUMBER

CSU, BAKERSFIELD	9001 Stockdale Highway, Bakersfield, California 93311-1099 Michael S. Williams (805) 664-3182
CSU, CHICO	400 West 1 st St., Chico, California 95929-0244 Pattie Hannemann (916) 898-4441
CSU, DOMINGUEZ HILLS	1000 East Victoria Boulevard, Carson, California 90747 Emmit L. Williams (310) 243-3799
CSU, FRESNO	5150 North Maple, Fresno, California 93740-0111 Dutch Green (209) 278-2111
CSU, FULLERTON	800 N. State College Blvd., Fullerton, California 92634-9480 Elizabeth Grace (714) 278-2572
CSU, HAYWARD	25800 Carlos Bee Blvd., Hayward, California 94542-3021 Eric Thompson (510) 885-3833
HUMBOLDT STATE UNIVERSITY	1 Harpst Street, Arcata, California 95521-8299 Richard Giacolini (707) 826-3512
CSU, LONG BEACH	1250 Bellflower Blvd., Long Beach, California 90840-0123 Charles Hughes (562) 985-4296
CSU, LOS ANGELES	5151 State University Drive, Los Angeles, Ca 90032-8547 Lillian Colores (213) 343-3621
CSU, MONTEREY BAY	100 Campus Center, Seaside, California 93955-8001 Richard Taylor (408) 582-3394
CSU, NORTHRIDGE	18111 Nordhoff Street, Northridge, California 91330-8231 William M. Cooper (818) 677-5916
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA	3801 West Temple Avenue, Pomona, California 91768 Donald W. Green (909) 869-3400
CSU, SACRAMENTO	6000 "J" Street, Sacramento, California 95819-6008 Ronald Grant (916) 278-6710
CSU, SAN BERNARDINO	5500 University Parkway, San Bernardino, Ca 92407-2397 Jan Lemmond (909) 880-5142
SAN DIEGO STATE UNIVERSITY	5300 Campanile Drive, San Diego, California 92182-1616 Richard Scharff (619) 594-5243
SAN FRANCISCO STATE UNIVERSITY	1600 Holloway Avenue, San Francisco, California 94132 Don Smalley (415) 338-2547
SAN JOSE STATE UNIVERSITY	One Washington Square, San Jose, California 95192 Norma Lorigo (408) 924-1566
CALIFORNIA POLYTECHNIC STATE UNIVERSITY SAN LUIS OBISPO	San Luis Obispo, California 93407 Matthew Roberts (805) 756-2234
CSU, SAN MARCOS	333 South Twin Oaks Valley Road, San Marcos, Ca 92096 Linda Hawkins (619) 750-4443
SONOMA STATE UNIVERSITY	1801 East Cotati Avenue, Rohnert Park, Ca 94928-3609 Ruth McDonnell (707) 664-2139
CSU, STANISLAUS	801 Monte Vista Avenue, Turlock, California 95380 Carol Castillo (209) 667-3245
CALIFORNIA MARITIME ACADEMY	200 Maritime Academy Drive, Vallejo, California 94590 Mary Pierce (707) 648-4045
THE CSU CHANCELLOR'S OFFICE	PO Box 3502, Seal Beach, California 90740-7502 Jackie Baird (562) 985-9158

RIDER E
CONTRACTOR'S ACCOUNT LOCATIONS

Northern California

Spicer Paper, Inc.
30108 Eigenbrodt Way
Union City, CA 94587

William C. Swisher
Administrative Manager
or Customer Service
Telephone (800) 832-2311 X339
FAX (800) 941-2294

Southern California (For a Representative Contact)

Spicer Paper, Inc.
12310 E. Slauson Avenue
Sante Fe Springs, CA 90670
Customer Service - Kim Andreason
Telephone (800) 372-6525 X258

Paper products may be ordered from either the Northern or Southern parts of the state regardless of campus location. The Union City location will be the main headquarters for the paper program.

RIDER F
OPTIONAL HIGHER EDUCATION PARTICIPANTS

The competitive solicitation which resulted in this Agreement recognized the optional participation of campuses of the Regents of the University of California, (UC) and campuses of the California Community College Districts (CCC) herein collectively referred to as Optional Higher Education Institutions.

Contractor agrees to extend the discount pricing and purchase terms provided herein to Optional Higher Education Institutions respectively and to recognize as a Customer for the purpose of purchasing products under the terms of these agreements. As a customer, Optional Institutions shall receive all of the same benefits, responsibilities and services as provided the CSU under this Agreement with the following understandings:

1. Optional Higher Education Institutions shall have the right but not the obligation to purchase products.
2. All contractual administration issues relating to terms and conditions, renewals, amendments, etc. regarding this Agreement shall remain the responsibility of the CSU. Operational issues, including disputes involving the optional higher education institutions shall be administered and resolved by each Institution.
3. The CSU, the UC and the CCC are separate and distinct governmental entities. As such each administrative unit and campus thereof is financially separate and shall be responsible for individual financial commitments. The CSU assumes no fiduciary responsibility for any optional Higher Education Institution.
4. (CSU) Campus Auxiliaries: Unless prohibited under the terms of the IFB, and if the successful vendor agrees to same, campus auxiliaries may actively participate in the acquisition of products at the quoted prices as long as certain conditions are met. Under such an arrangement, auxiliaries are required to submit separate orders for the products, these orders having auxiliary - specific document identification numbers on them.

