



**VENDOR BID ACCEPTANCE TERM SHEET
EDITION 1.1
MHBG SUPPLY AGREEMENT SPECIAL TERMS**

Vendor understands that responses to a Request for Quote from MHBG shall obligate Vendor to include the following terms into Vendor's proposal:

Each quote, proposal and/or supply agreement shall include pricing of available parts, any applicable price protection period, price change notice provisions, available discounts and/or rebates, freight and additional charges, and the term of the supply agreement and any extension periods.

In addition to the terms shown above, Vendor also agrees to incorporate the following MHBG SUPPLY AGREEMENT SPECIAL TERMS into any Supply Agreement and/or quote or proposal offered to the Members of MHBG.

MHBG SUPPLY AGREEMENT SPECIAL TERMS

1. Vendor acknowledges receipt of the Vendor Communication Package and Summary of Association Operating Rules, Edition 1.3, (available on the MHBG website) and agrees to the terms and conditions included therein, including but not limited to, honoring the relationship of RCG as approved central negotiator for Members of MHBG. Vendor also acknowledges the receipt of information necessary to respond to a Request for Quote for MHBG Members;
2. Vendor acknowledges that each participating Member of MHBG in the quote provided shall be offered a separate supply agreement by Vendor, that no Member shall have any liability or guaranty for any other Member's liabilities, obligations or actions, and further acknowledges the termination of the supply agreement by a Member shall not have an effect on any supply agreements between Vendor and other Members;
3. Vendor understands that it will determine the creditworthiness of each participating Member in the bid solicitation and shall be under no obligation to sell or approve credit for any Member; provided however, Vendor agrees that if any Member(s) are turned down for credit with Vendor, such denial of credit shall not affect the pricing or terms of the supply agreement with the other Members; nor shall the bankruptcy, failure or insolvency of any Member affect the relationship, terms or pricing for the remaining Members;



4. Vendor acknowledges that any applicable rebates, discounts or other benefits shall inure and be paid directly to the contracting Member(s) and shall not be paid to MHBG or RCG;
5. Vendor agrees that the Member(s) may purchase goods from other vendors during the term of the supply agreement without violating the terms of the supply agreement for the following reasons; 1) lack of availability of product, 2) problems related to supply or lead time and initial inventory transition, 3) unresolved service or warranty issues, 4) purchase of obsolete or discontinued items for factory select products offered by the Member, and 5) requirements under sales contracts (such as architectural requirements for brands, etc.);
6. Vendor acknowledges that no Member shall be bound to a particular purchase commitment or volume, but rather is only obligated to purchase goods in the amount as is necessary to fulfill its business requirements;
7. Vendor understands that contracts exceeding one year in duration must be ratified by each Member prior to acceptance of the proposal;
8. Vendor agrees to honor such pricing and terms as are presented in its quote and accepted by the membership to MHBG for any new Members added by MHBG during the term of the supply agreement resulting from the bid award;
9. Vendor agrees to guarantee the supply and availability of goods during the term of the supply agreement, including any periods of allocation established by Vendor or its suppliers, for such goods as shown in the usage information provided with the Request for Quote, including any growth projections provided to Vendor by RCG for current and future Members. Vendor understands that relief shall be given during events of force majeure; provided however, Vendor acknowledges that force majeure shall not include the voluntary reduction of capacity by Vendor, its suppliers, or the industry, but rather is intended to provide relief only for events that happen beyond the reasonable control of Vendor, such as plants destroyed by natural disaster, act of God, strike, insurrection, civil unrest or other similar events;
10. Vendor also acknowledges that in the event Vendor is an authorized distributor of goods supplied by other manufacturers, that Vendor has informed such manufacturer of the MHBG Supply Agreement Special Terms and further represents that each such manufacturer of goods supplied by Vendor related to such supply agreement has agreed to the terms included herein; and



11. Vendor agrees to provide monthly reporting to RCG of all purchases of each Member, including the actual quantities and price of goods by individual “SKU” purchased for each location included in the quote.

Vendor hereby agrees to include, in writing, in any and all quotes, proposals, and supply agreements the following provision:

The MHBG Supply Agreement Special Terms as specified in the Vendor Bid Acceptance Term Sheet, Edition 1.1, are hereby incorporated by reference and made a part of to the terms of this quote, proposal and/or supply agreement.

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