

AMENDMENT #2
to
TCPN Contract No. R5023
for Office Supplies, Related Products and Office Services

This Amendment #2 is entered into by and between The Cooperative Purchasing Network ("TCPN") and Office Depot, Inc. ("Office Depot") and hereby amends and supplements TCPN Contract No. R5023 for Office Supplies, Related Products and Office Services effective July 12, 2010, including all amendments thereto (the "Contract"). This Amendment #2 shall be deemed effective January 1, 2011 ("Amendment #2 Effective Date").

WHEREAS, the parties executed Amendment #1 effective September 1, 2010, amending certain provisions of the Contract;

WHEREAS, the parties wish to further amend the Contract as set forth in this Amendment #2; and

WHEREAS, this Amendment #2, upon mutual execution of the parties, shall be incorporated into the Contract.

NOW, THEREFORE, the parties agree to amend the Contract as follows.

1. Section 1(a) of Amendment #1 entitled "Core List Pricing" is deleted in its entirety and replaced with the following:
 - a. **Fixed Pricing For BSD Big Book.** Subject to the remaining provisions of this Section 1, Office Depot will offer fixed pricing for all items listed in the current Office Depot printed Business Solutions Division Big Book Catalog ("BSD Big Book"). Pricing for items within the BSD Big Book will be as set forth on Office Depot's Business Solutions Division website located at <https://business.officedepot.com> ("BSD Website"). Core list items will be designated with the "Best Value" icon on the BSD Website. All items in the BSD Big Book, other than items on the Core list, shall be designated with the "Preferred" icon on the BSD Website."
2. Section 1(b) of Amendment #1 entitled "Custom Core Lists" is deleted in its entirety.
3. Section 1(c) of Amendment #1 entitled "BSD Catalog Pricing" is deleted in its entirety and replaced with the following:
 - c. **Pricing Updates.** Pricing for products listed in the BSD Big Book may be adjusted as follows:
 - i. Paper pricing will be updated based on market conditions. Office Depot shall give TCPN thirty (30) days written notice before any paper price increase takes effect. Upon request, Office Depot shall provide TCPN with manufacturer documentation to substantiate any paper price increase.
 - ii. Ink and toner pricing will be updated on a quarterly basis on January 1, April 1, July 1 and October 1 of each year during the term of the Contract. Office Depot shall give TCPN at least thirty (30) days written notice before any ink or toner price increase takes effect. Upon request, Office Depot

shall provide TCPN with manufacturer documentation to verify any ink or toner price increase.

- iii. Core list items will be updated on an annual basis on April 1, except for paper core items and ink and toner core items, which will be updated as set forth in subsections (i) and (ii) above respectively. Office Depot shall give TCPN at least thirty (30) days written notice of such price increases before any price increases take effect. Upon request, Office Depot shall provide TCPN with manufacturer documentation to verify any price increases for such products. Notwithstanding any other provision herein, TCPN and Office Depot may add or remove core list items from time to time by mutual written agreement of the parties (including e-mail).
 - iv. For all other products not addressed in subsections (i), (ii) and (iii) above, but listed in the BSD Big Book, prices will be updated on a semi-annual basis on April 1 and October 1 of each year during the term of the Contract. Office Depot shall give TCPN at least thirty (30) days written notice of such price increases before any price increases take effect. Upon request, Office Depot shall provide TCPN with manufacturer documentation to verify any price increases for such products.
4. Section 1(d) of Amendment #1 entitled "Copy & Print Depot Pricing" is deleted in its entirety and replaced with the following:
- d. Pricing for Custom Printing Services. Custom printing services, including custom imprinting services and large format prints, will be priced at a minimum discount of fifteen percent (15%) off of the local retail price.
5. Section 1(e) of Amendment #1 entitled "All Other Non-Core Items" is deleted in its entirety and replaced with the following:
- e. Pricing For Items Not In The BSD Big Book. Items not contained in the BSD Big Book, but set forth on the BSD Website, will be priced at a market competitive price at the time of purchase.
6. For Participating Agencies purchasing under the Contract prior to the Amendment #2 Effective Date, Office Depot shall provide overall price protection for purchases made between January 1, 2011 and January 31, 2011 ("Price Protection Period"), such that Office Depot will provide said Participating Agencies with a credit, equal to the difference between their aggregate spend during the Price Protection Period and their aggregate spend were Amendment 2 not in effect during the Price Protection Period, assuming said spend is higher in the aggregate.
7. Section 2(a) of Amendment #1 entitled "Delivery" is deleted in its entirety and replaced with the following:
- a. The pricing set forth in this Contract includes dock and/or mailroom delivery. Furniture delivery service is available on a select group of items. The fee for furniture delivery service is \$24.99 per order in Dedicated Markets and \$39.99 in Non-Dedicated Markets. "Dedicated Market" is defined as a market within fifty (50) miles of an Office Depot distribution center or retail store. A "Non-Dedicated Market" is defined as a market that is beyond fifty (50) miles of an Office Depot distribution center or retail store. A listing of select furniture items is available from Office Depot upon request. Additional freight charges may apply for Hawaii, Alaska and Puerto Rico orders.

8. Section 2(d) of Amendment #1 entitled "Agency Annual Volume Rebate" is deleted in its entirety and replaced with the following:

- d. **Volume Rebates.** Office Depot will pay Participating Agencies the following volume rebates:

- i. **Double Rebate.** As an additional incentive to Participating Agencies to begin purchasing under the TCPN program, Office Depot will pay Participating Agencies a double rebate ("Double Rebate") based on such Participating Agency's Spend from January 1, 2011 through June 30, 2011, provided that the Participating Agency is not materially delinquent in paying undisputed invoices as required under the Contract. The double rebate shall be disbursed within ninety (90) days of the first anniversary of the Participating Agency's date of initial purchase under the Contract and shall be calculated as follows:

Spend from January 1, 2011 through June 30, 2011	Double Rebate Percentage
\$250,000 - \$500,000	0.5% of Spend
\$500,001 - \$1,750,000	2.0% of Spend
\$1,750,001 +	5.0% of Spend

- ii. **Agency Annual Volume Rebate.** Office Depot will pay Participating Agencies an annual volume rebate ("Agency Annual Volume Rebate") based on such Participating Agency's Spend, provided that the Participating Agency is not materially delinquent in paying undisputed invoices as required under the Contract. Agency Annual Volume Rebates shall be calculated back to dollar one. The Agency Annual Volume Rebate shall be disbursed within ninety (90) days of each anniversary of the Participating Agency's date of initial purchase under the Contract and shall be calculated as follows:

Annual Spend	Annual Volume Rebate Percentage
\$100,000 - \$1,000,000	1.0% of Annual Spend
\$1,000,001 - \$3,500,000	2.0% of Annual Spend
\$3,500,001 +	5.0% of Annual Spend

9. **E-Commerce Rebate.** In addition to the Agency Annual Volume Rebate, Office Depot shall pay to Participating Agencies an annual E-Commerce rebate ("E-Commerce Rebate") based on the percentage of Spend conducted via E-Commerce, provided that the Participating Agency is not materially delinquent in paying undisputed invoices as required under the Contract. If annual E-Commerce rebates earned are less than \$200.00, no rebate check will be issued. The E-Commerce Rebate shall be disbursed within ninety (90) days of each anniversary of the Participating Agency's date of initial purchase under the Contract and shall be calculated as follows:

Percentage of Annual E-Commerce Spend	Rebate Percentage
40% - 79%	0.5% of Annual Spend
80% - 100%	1% of Annual Spend

10. **Alternative to Rebates.** Notwithstanding the foregoing, at the Participating Agency level, Office Depot may agree to offer lower prices in lieu of anticipated rebate dollars to those Participating Agencies whose total Spend exceeds \$500,000. To implement, Office Depot will enter into agency-level agreements, which will also provide for an annual reconciliation to ensure that the earned rebate dollars correlate to the additional discounts and adjustments are made as necessary (a "true-up").
11. **Administrative Fees.** The parties agree that with respect to sales made after the Amendment #2 Effective Date, the quarterly administrative fees payable to TCPN shall be calculated as follows:

Annual Spend	Administrative Fee
0 - \$50,000,000	2%
\$50,000,001 - \$100,000,000	1.75%
\$100,000,001 - \$150,000,000	1.5%
\$150,000,001 - \$200,000,000	1.25%
\$200,000,001	1%

Administrative fees shall be calculated on total Spend (as defined in the Contract) and will be paid quarterly. Year-to-date Spend will determine which fee percentages to apply for each quarter. The administrative fees are calculated incrementally with the achievement of each Spend tier. In calculating administrative fees for 2nd, 3rd and 4th quarters, administrative fee payments paid for previous quarters will be deducted.

Example:

If Spend in Q1 equals \$55,000,000, the Q1 administrative fee is calculated as follows:

$$\begin{aligned}
 \$50,000,000 \times 2\% &= \$1,000,000 \\
 \$5,000,000 \times 1.75\% &= \$87,500 \\
 \hline
 \text{Q1 Administrative Fee} &= \$1,087,500
 \end{aligned}$$

If Spend in Q2 equals \$75,000,000, the Q2 administrative fee is calculated as follows:

$$\begin{aligned}
 \text{Q1 Spend} + \text{Q2 Spend} &= \$130,000,000 \text{ Spend Year-to-Date} \\
 \\
 \$50,000,000 \times 2\% &= \$1,000,000 \\
 \$50,000,000 \times 1.75\% &= \$875,000 \\
 \$30,000,000 \times 1.5\% &= \$450,000 \\
 \\
 \text{Total:} &= \$2,325,000 \\
 \\
 \text{Line Deduction of Prior Fees} &= (\$1,087,500) \text{ (Q1 Admin Fee Paid)} \\
 \\
 \text{Q2 Administrative Fee} &= \$1,237,500
 \end{aligned}$$

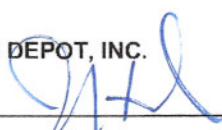
12. Exhibit A entitled "Master Core List Pricing" is hereby deleted in its entirety.
13. Exhibit D entitled "Copy & Print Depot Pricing" is hereby deleted in its entirety.
14. Section 2(c) of Amendment #1 is deleted in its entirety.
15. Paragraph 5 of Addendum to the Cooperative Purchasing Network Request for Proposal #09-09, Office supplies, Related Products, and Office Services is deleted in its entirety and replaced with the following:

In the event that the resulting contract is terminated by reason of non-appropriation of the funds as contemplated in this section, each Participating Agency shall pay for all materials received and services rendered through the effective date of termination.

16. Office Depot makes no representations, warranties or covenants to provide TCPN or Participating Agencies with more favorable pricing as compared to any other Office Depot customer or group purchasing organizations.
17. Capitalized terms not otherwise defined in this Amendment will have the same meaning as set forth in the Contract. All other terms and conditions of the Contract are hereby ratified, and shall remain in full force and effect. Should any conflict, whether direct or indirect, arise between this Amendment and the Contract, this Amendment shall control in all respects and the conflicting terms of the Contract shall be considered of no effect. Additionally, the terms and conditions of the Contract, as amended, shall supersede any conflicting terms and conditions between Office Depot and a Participating Agency, unless explicitly provided otherwise.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Amendment #2 Effective Date.

OFFICE DEPOT, INC.

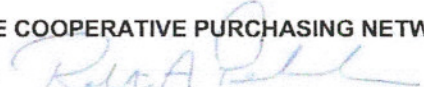
By: 

Name: John T. Lander

Title: Vice President

Date: 12-6-10

THE COOPERATIVE PURCHASING NETWORK

By: 

Name: Robert A. Pechacek

Title: Chief Financial Officer

Date: 12-6-10

