

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VIRGINIA 22201

CONTRACT AWARD COVERPAGE

TO: LAWSON PRODUCTS, INC.	DATE ISSUED:	8/26/2021
8770 W BRYN MAWR AVE, STE 900	CONTRACT NO:	22-DES-R-279
CHICAGO, ILLINOIS 60631	CONTRACT TITLE:	MRO SUPPLIES & EQUIPMENT

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

The contract documents consist of the terms and conditions of AGREEMENT No. 22-DES-R-279 including any attachments or amendments thereto.

EFFECTIVE DATE: 8/26/2021

EXPIRES: 3/31/2023

RENEWALS: NONE

LIVING WAGE: N

EMPLOYEES NOT TO BENEFIT:

NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

<u>VENDOR CONTACT:</u> DEANIE SWEENEY	<u>VENDOR TEL. NO.:</u>	(404) 421-7654
<u>EMAIL ADDRESS:</u> DEANIE.SWEENEY@LAWSONPRODUCTS.COM		
<u>COUNTY CONTACT:</u> CARMEN RIVERA (DES-EB)	<u>COUNTY TEL. NO.:</u>	(703) 228-6465
<u>COUNTY CONTACT EMAIL:</u> CRIVERA@ARLINGTONVA.US		

PURCHASING DIVISION AUTHORIZATION

DocuSigned by:

Lucas Alexander

Title

Procurement Officer

Date

8/26/2021

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**ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VA 22201**

RIDER AGREEMENT NO. 22-DES-R-279

THIS AGREEMENT (hereinafter "Agreement") is made, on the date of its execution by the County, between Lawson Products, Inc. ("Contractor"), an Illinois corporation with a place of business at 8770 W Bryn Mawr Avenue, Suite 900, Chicago, Illinois 60631 authorized to transact business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration specified herein or specified in a County Purchase Order referencing this Agreement, agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Exhibit A OMNIA Contract #R192005, dated April 1, 2020 together with any exhibits and amendments issued or applicable thereto (collectively, "Contract Documents" or "Contract"). This Agreement rides a contract awarded to the Contractor by OMNIA and extended by the Contractor to the County on the same terms and conditions as the Contractor's agreement with OMNIA. Where the terms of this Agreement vary from the terms and conditions of the other Contract Documents, the terms and conditions of this Agreement shall prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties' agreement which is not contained in the Contract Documents.

2. CONTRACT TERM

The Contractor's provision of goods and services for the County ("Work") shall commence upon the execution of the Agreement by the County" and shall be completed no later than March 31, 2023 ("Contract Term"), subject to any modifications as provided for in the Contract Documents regarding the Contract Term. No aspect of the Work shall be deemed complete until it is accepted by the County's Project Officer.

3. PAYMENT

Payment will be made by the County to the Contractor within forty-five (45) days after receipt by the County Project Officer of an invoice detailing the Work provided by the Contractor and accepted by the County. Each invoice must certify that the invoice submitted is a true and accurate accounting of the work performed and goods and/or services provided and must be signed and attested to by the Contractor or authorized designee. The Project Officer will either approve the invoice or require corrections. The number of the County Purchase Order pursuant to which authority goods or services have been performed or delivered shall appear on all invoices.

4. SCOPE OF WORK

The Contractor agrees to perform the goods and/or services described in the Contract Documents

(hereinafter "the Work"). The primary purpose of the Work is to furnish MRO Supplies & Equipment.

The Contract Documents set forth the minimum Work estimated by the County and the Contractor to be necessary to complete the Work. It shall be the Contractor's responsibility, at the Contractor's sole cost, to provide the specific Work set forth in the Contract Documents sufficient to fulfill the purposes of the Work. Nothing in the Contract Documents shall be construed to limit the Contractor's responsibility to manage the details and execution of the Work.

5. PROJECT OFFICER

The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency which seeks to obtain the Work pursuant to this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work pursuant to the Contract Documents.

6. COUNTY PURCHASE ORDER REQUIREMENT

County purchases are authorized only if a County Purchase Order is issued in advance of the transaction. A Purchase Order must indicate that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. If the Contractor provides goods or services without a signed County Purchase Order, it does so at its own risk and expense.

7. NON-APPROPRIATION

All funds for payments by the County to the Contractor pursuant to this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County's written notice.

8. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION

This Contract and the work performed hereunder shall be governed in all respects by the laws of the Commonwealth of Virginia, and the jurisdiction, forum, and venue for any litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia, and in no other court. In performing its Work pursuant to this Contract, the Contractor shall comply with applicable federal, state, and local laws, ordinances and regulations.

9. NOTICES

Unless otherwise provided herein, all notices and other communications required by this Contract shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered by an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

TO THE CONTRACTOR:

Deanie Sweeny, Government Sales Manager
Lawson Products, Inc.
8770 W Bryn Mawr Avenue, Suite 900
Chicago, Illinois 60631

TO THE COUNTY:

Carmen Rivera, Project Officer
Arlington County Equipment Bureau
2701 S. Taylor Street
Arlington, Virginia 22206

AND

Sharon T. Lewis, LL.M, MPS, VCO, CPPB
Purchasing Agent
Arlington County, Virginia
2100 Clarendon Boulevard, Suite 500
Arlington, Virginia 22201

TO COUNTY MANAGER'S OFFICE (FOR PROJECT CLAIMS):

Mark Schwartz, County Manager
Arlington County, Virginia
2100 Clarendon Boulevard, Suite 318
Arlington, Virginia 22201

10. ARLINGTON COUNTY BUSINESS LICENSES

The Contractor must comply with the provisions of Chapter 11 ("Licenses") of the Arlington County Code, if applicable. For information on the provisions of that Chapter and its applicability to this Contract, the Contractor must contact the Arlington County Business License Division, Office of the Commissioner of the Revenue, 2100 Clarendon Blvd., Suite 200, Arlington, Virginia, 22201, telephone number (703) 228-3060.

11. COUNTERPARTS

This Agreement may be executed in one or more counterparts and all of such counterparts shall together constitute one and the same instrument. Original signatures transmitted and received via facsimile or other electronic transmission, (e.g., PDF or similar format) are true and valid signatures for all purposes hereunder and shall be effective as delivery of a manually executed original counterpart.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

AUTHORIZED DocuSigned by:
SIGNATURE Lucas Alexander
5D2342428F9D4B4...

NAME: Lucas Alexander

TITLE: Procurement officer

DATE: 8/26/2021

LAWSON PRODUCTS, INC.

AUTHORIZED DocuSigned by:
SIGNATURE Matt Brown
5D6307EB59A8431...

NAME: Matt Brown

TITLE: SVP-Sales

DATE: 8/25/2021

EXHIBIT A

Region 4 Education Service Center (ESC)

Contract # R192005

for

Maintenance, Repair and Operations (MRO) Supplies and Equipment

with

Lawson Products

Effective: April 1, 2020

The following documents comprise the executed contract between the Region 4 Education Service Center and Lawson Prodcuts effective April 1, 2020:

- I. Appendix A; Vendor Contract
- II. Offer & Contract Signature Form
- III. Supplier's Response to the RFP, incorporated by reference

APPENDIX A

CONTRACT

This Contract ("Contract") is made as of April 01, 2020 by and between Lawson Products Inc. ("Lawson") ("Contractor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of Maintenance, Repair and Operations (MRO) Supplies & Related Services ("the products and services").

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposals Number R¹⁹⁻²⁰ for MRO ("RFP"), to which Contractor provided a response ("Proposal"); and Maintenance, Repair and Operations (MRO) Supplies & Related Services

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

- 1) **Term of agreement.** The term of the Contract is for a period of three (3) years unless terminated, canceled or extended as otherwise provided herein. Region 4 ESC shall have the right to renew the Contract for two (2) additional one-year periods or portions thereof. Region 4 ESC shall review the Contract prior to the renewal date and notify the Contractor of Region 4 ESC's intent renew the Contract. Contractor may elect not to renew by providing three hundred sixty-five days' (365) notice to Region 4 ESC. Notwithstanding the expiration of the initial term or any subsequent term or all renewal options, Region 4 ESC and Contractor may mutually agree to extend the term of this Agreement. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Agreement.
- 2) **Scope:** Contractor shall perform all duties, responsibilities and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.

- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).
- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e. bankruptcy, change of ownership, merger, etc.).
- 8) Novation. If Contractor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. Region 4 ESC reserves the right to accept or reject any new party. A change of name agreement will not change the contractual obligations of Contractor.
- 9) Contract Alterations. No alterations to the terms of this Contract shall be valid or binding unless authorized and signed by Region 4 ESC.
- 10) Adding Authorized Distributors/Dealers. Contractor is prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under the Contract without notification and prior written approval from Region 4 ESC. Contractor must notify Region 4 ESC each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to the Contractor unless otherwise approved by Region 4 ESC. Pricing provided to members by added distributors or dealers must also be less than or equal to the Contractor's pricing.
- 11) TERMINATION OF CONTRACT
 - a) Cancellation for Non-Performance or Contractor Deficiency. Region 4 ESC may terminate the Contract if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this Contract due to failure by Contractor to carry out any obligation, term or condition of the contract. Region 4 ESC may issue a written deficiency notice to Contractor for acting or failing to act in any of the following:
 - i. Providing material that does not meet the specifications of the Contract;
 - ii. Providing work or material was not awarded under the Contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;

- iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
- v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
- vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.
- c) Delivery/Service Failures. Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the Contract to be terminated. In the event Region 4 ESC must purchase in an open market, Contractor agrees to reimburse Region 4 ESC, within a reasonable time period, for all expenses incurred.
- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. Region 4 ESC may cancel this Contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.

- 12) Licenses. Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by Contractor. Contractor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Contract. Region 4 ESC reserves the right to stop work and/or cancel the Contract if Contractor's license(s) expire, lapse, are suspended or terminated.
- 13) Survival Clause. All applicable software license agreements, warranties or service agreements that are entered into between Contractor and Region 4 ESC under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Contractor shall survive expiration or termination of the Contract.
- 14) Delivery. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period, the Contractor must receive authorization for the delayed delivery. The order may be canceled if the estimated shipping time is not acceptable. All deliveries shall be freight prepaid, F.O.B. Destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price is not exceeded after the time-limit; 4) change in market conditions.

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's

sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.

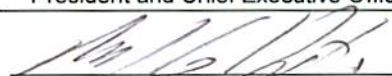
- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Site Cleanup. Contractor shall clean up and remove all debris and rubbish resulting from their work as required or directed. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean, safe and unobstructed condition.
- 24) Site Preparation. Contractor shall not begin a project for which the site has not been prepared, unless Contractor does the preparation work at no cost, or until Region 4 ESC includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 25) Registered Sex Offender Restrictions. For work to be performed at schools, Contractor agrees no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at Region 4 ESC's discretion. Contractor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.
- 26) Safety measures. Contractor shall take all reasonable precautions for the safety of employees on the worksite and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contractor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law

and standard practices to protect workers, general public and existing structures from injury or damage.

- 27) Smoking. Persons working under the Contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 28) Stored materials. Upon prior written agreement between the Contractor and Region 4 ESC, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Region 4 ESC prior to payment. Such materials must be stored and protected in a secure location and be insured for their full value by the Contractor against loss and damage. Contractor agrees to provide proof of coverage and additionally insured upon request. Additionally, if stored offsite, the materials must also be clearly identified as property of Region 4 ESC and be separated from other materials. Region 4 ESC must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary. Until final acceptance by Region 4 ESC, it shall be the Contractor's responsibility to protect all materials and equipment. Contractor warrants and guarantees that title for all work, materials and equipment shall pass to Region 4 ESC upon final acceptance.
- 29) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 30) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract. Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.
- 31) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 32) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.
- 33) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Lawson Products, Inc.
Address 8770 W. Bryn Mawr Ave., Suite #900
City/State/Zip Chicago, IL 60631
Telephone No. 800-890-8198
Email Address govsales@lawsonproducts.com
Printed Name Michael DeCata
Title President and Chief Executive Officer
Authorized signature 

Accepted by Region 4 ESC:Contract No. R192005Initial Contract Term April 1, 2020 to March 31, 2023
Region 4 ESC Authorized Board Member2/25/2020
DateMargaret S. Bass
Print NameCarmen T. Moreno
Region 4 ESC Authorized Board Member2/25/2020
DateCarmen T. Moreno
Print Name

Appendix B**TERMS & CONDITIONS ACCEPTANCE FORM**

Signature on the Offer and Contract Signature form certifies complete acceptance of the terms and conditions in this solicitation and draft Contract except as noted below with proposed substitute language (additional pages may be attached, if necessary). The provisions of the RFP cannot be modified without the express written approval of Region 4 ESC. If a proposal is returned with modifications to the draft Contract provisions that are not expressly approved in writing by Region 4 ESC, the Contract provisions contained in the RFP shall prevail.

Check one of the following responses:

- ☐ Offeror takes no exceptions to the terms and conditions of the RFP and draft Contract.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- ☒ Offeror takes the following exceptions to the RFP and draft Contract. All exceptions must be clearly explained, reference the corresponding term to which Offeror is taking exception and clearly state any proposed modified language, proposed additional terms to the RFP and draft Contract must be included:

(Note: Unacceptable exceptions may remove Offeror's proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions and modifications and the decision shall be final.)

Section/Page	Term, Condition, or Specification	Exception/Proposed Modification	Accepted (For Region 4 ESC's use)
IV. /Pg. 12 - Ordering Capabilities	-The successful Offeror shall provide an electronic on-line catalogue and have a fully operational website that enables on-line ordering by the individual member agencies. Features shall include, product lookup that indicates Region 4 contract price; ability to set PURCHASING AUTHORIZATION LIMITS; ability to download order invoice history reports.	Lawson's current e-commerce site does not allow for purchasing authorization limits. Our website does allow on-line ordering by individual member agencies, does include product lookup with OMNIA Partners pricing, and allows the individual member agencies the ability to download order invoice history reports.	
			Accepted

TAB 2 – Products & Services Pricing and market basket (Appendix E)

2. Offeror's proposal should, at a minimum, include the following for Region 4 ESC's evaluation:

a) Products/Pricing

a. Complete Appendix E – Price Sheet for Products/Services/Market Basket/Core List

Lawson Products' Response:

Please see Price Sheet for Products/Services/Market Basket/Core List.

b. Provide details of and propose, special manufacturer's offers, minimum order quantity, free goods program, total annual spend, etc.

Lawson Products' Response:

Lawson Products, Inc. ("Lawson") will offer specific discount percentages per category off of Lawson's distributor list price. If a sale item falls below contracted price, the OMNIA Partners' participants will receive the better price for the item. Lawson does not have minimum order restrictions but will offer discounts for bulk purchases, evaluated on a case-by-case basis.

Every April 1st of each contract year, Lawson will pay a 5% rebate to any single entity that purchased a minimum of \$30,000 with Lawson the previous 12 months. For example, an account that purchased \$100,000 with Lawson between April 1st 2020 – March 31st 2021 will receive 5% or \$5,000 paid out in April 2021. This will apply to both current and new customers.

Lawson's sales teams can provide your members with high quality steel storage bins and cabinets after analyzing the customer's needs and determining any potential costs associated with the final analysis. In addition, Lawson has a Ready Allowance Program where customers can receive credit in exchange for obsolete or damaged product which can be applied toward future purchases.

c. Contractor(s) shall offer Region 4 ESC and participating agencies any published price reduction during the Contract term.

Lawson Products' Response:

Lawson will offer Region 4 ESC and its participants published price reductions during the term of the contract.

d. Region 4 ESC requests pricing be submitted as not to exceed pricing. Unlike fixed pricing, the Contractor can adjust submitted pricing lower if needed but, cannot exceed original pricing submitted. Contractor must allow for lower pricing to be available for similar product and service purchases. Cost plus pricing as a primary pricing structure is not acceptable.

Lawson Products' Response:

Lawson agrees to submit pricing as not to exceed pricing. Lawson will maintain the discounts structure off Lawson's distributor catalog list price throughout the term of this agreement.

- e. Electronic price lists must contain manufacturer part #, Offeror part # (*if different from manufacturer part #*); description; manufacturers list price and net price to Region 4 ESC and participating members (including freight).

Lawson Products' Response:

Lawson, as a distributor of MRO products, uses its own part numbers which are different from the manufacturer part numbers; therefore, Lawson will include the manufacturers' part numbers in addition to its own part numbers. Lawson will also provide a discount off Lawson's distributor list price and net pricing information to Region 4 ESC.

- f. Media submitted for price list must include the respondents' company name, name of the solicitation, and date on Flash Drive (i.e. Jump Drives).

Lawson Products' Response:

Lawson has submitted our full catalog price list on Flash Drives included in a labeled, brown envelope.

- g. Please submit price lists and/or catalogs in excel or delimited format only minimizing file size.

Lawson Products' Response:

Lawson has submitted our full catalog price list on Flash Drives in an Excel format, included in a labeled, brown envelope.

Exhibit A - 3.1 Company (Page 35 – OMNIA)**A. Brief history and description of Supplier.****Lawson Products' Response:**

Please reference Lawson Product's Responses in Appendix D, Exhibit A, OMNIA Partners Response for National Cooperative Contract. Lawson Products has also replicated the entire OMNIA Partners Response for a National Cooperative Contract below:

Sidney L. Port founded Lawson in 1952 with a simple goal—to provide for his family. He accomplished that and much more.

After early careers as a publisher and an attorney, Mr. Port joined his father-in-law's company, Lion Auto Parts. During his time there he recognized an opportunity and confirmed its potential by first selling fasteners out of the trunk of his car. That experience convinced him that no one else was effectively supplying businesses with small, consumable parts necessary to keeping their operations running.

At the age of 40, with a \$25,000 loan, Mr. Port opened Lawson. For those who knew Mr. Port they'd say, "his word was his bond," and customers and suppliers quickly recognized his integrity. That, combined with Mr. Port's knack for finding the right people, helped continue the Company's growth.

Lawson went public in 1970 (currently traded on the NASDAQ – LAWS), but Mr. Port retained a very active role until his death in 2007. When asked about founding his Company, Mr. Port often replied that he simply wanted to create an organization that offered employees a way to make a good living and support their families. As an entrepreneur himself, Mr. Port encouraged that spirit by offering employee benefits such as profit sharing, which was unusual at the time.

Mr. Port named Lawson after Victor Lawson, owner of the Chicago Daily News and a philanthropist whom he admired. As the Company's success grew, so did Mr. Port's generosity and philanthropic efforts in the arts, medical research and education.

Today, Lawson in North America...

- is a wholly owned subsidiary of Lawson, Inc. with other divisions of Kent Automotive, a Delaware Corporation ("Lawson Delaware") and Bolt Supply (Canada only);
- is a publicly held company traded on the NASDAQ as LAWS;
- carries over 240,000 consumable MRO products like fasteners, electrical supplies, fluid power fittings and hoses, cutting tools, safety supplies, maintenance chemicals and more;
- serves over 300,000 public and private sector customers in the areas of vehicle and automotive repair, manufacturing equipment repair, facility maintenance, food processing, construction, oil and gas, mining and others;
- maintains a 98%-99% fill rate and ships 99% of all products complete within 24 hours from six strategically located distribution centers in North America and 13 branch locations in Canada via its subsidiary Bolt Supply;
- has over 1,800 employees, 1,000 of which are local field sales representatives that monitor, put away, and manage inventory levels at the site-level for state and local government entities;

Under the leadership of President & CEO Michael G. DeCata, Lawson continues to value the entrepreneurial spirit, results-driven attitude and integrity of its employees and customers alike. At the same time, the Company continues to evolve, recognizing that now more than ever, success depends on teamwork and being progressive in response to meeting customers' needs.

Lawson delivers a full range of consumable MRO products coupled with on-site inventory management services that help fleet and facility maintenance personnel keep their operations up and running without interruption. Our goal is to be sure the right products are on hand at the moment they're needed so vehicles and facilities can operate at their full capacity and avoid downtime. Said otherwise, we strive to be sure our customers have "the right part, in the right place, at the right time."

Following the principles of 5S methodology (a workplace organization method) approximately 1,000 Lawson field sales representatives partner with maintenance and repair personnel to maximize their operational effectiveness and efficiency. Our ultimate goal is to develop a fully integrated maintenance supply and inventory management partnership with OMNIA Partners and participating state, local and education entities to provide quality products and vendor-managed inventory services for consumable maintenance and repair products across the U.S. and Canada.

Lawson has been continuously in business since its founding in 1952. Over the last three years, Lawson's sales reflect a company-wide average of 10% growth, with the Government sector comprising 12% of total 2017 revenue. Lawson's four-year annual sales include:

2015	\$257,834,000.00
2016	\$276,573,000.00 (increase of 7.3% vs. 2015)
2017	\$305,907,000.00 (increase of 10.6% vs. 2016)
2018	\$349,637,000.00 (increase of 14.3% vs. 2017)

- In 2017, the government sector garnered 10% of total company sales with this year's projection being 12% of total sales.
- Lawson has over 250 direct contracts around the world with government agencies that include: contracts at the state and/or city/county level in every U.S. state, the Federal Government, USPS and the Department of Defense.
- In the state, local government and education sectors (SLED) Lawson does business in the U.S. and Canada directly with entities and via cooperative agreements. The SLED sectors comprise 75% of our total government business.
- Some examples of government agencies and departments that use our products and services include: K-12 schools, higher education institutions, vocational and technical schools, Departments of Public Works, Parks Departments, Departments of Transportation, Transit Authorities and more.

Lawson currently has contracts with six cooperatives serving the U.S. and Canada. Our contracts with these cooperatives have grown 364% over the last 2 years. Our largest cooperative, OMNIA Partners, was awarded in 2015 (as TCPN) and in a 3 year timeframe has grown from no sales to comprising over 25,000 publically funded sites around the U.S. with annual sales projected to exceed \$9M by Dec. 31, 2019. Some of Lawson's more substantial contracts include:

Contract	Approximate Annual Value	Held Since
The Federal Government through General Services Administration	\$5,000,000	2001
The United States Postal Service	\$1,100,000	2011
The State of California	\$625,000	2016 (3 rd contract)
The State of Mississippi	\$155,000	2018
The State of Louisiana	\$383,000	2004

Our product offerings are listed on our websites and in catalogs distributed to our customers. Sales percentages by broad product categories of our product mix in 2018 were as follows:

Fastening systems (nuts, bolts, screws, etc.)	21%
Fluid power (hoses and fittings)	15%
Chemicals (adhesives, coatings, paints, drain maintenance)	14%
Cutting tools and abrasives (drill bits, saw blades, grinding discs)	14%
Electrical (adapters, wire, connectors, battery maintenance)	11%
Aftermarket automotive accessories (repair clips, wheel weights, bulbs)	9%
Safety (personal protective equipment, apparel, signs, logout tag-out)	4%
Welding and metal repair(welding rods, helmets and accessories)	2%
Other (shop supplies and hand tools)	10%

B. Total number and location of sales persons employed by Supplier.

Lawson Products' Response:

There are 1,845 total employees at Lawson displayed below in three separate categories – Corporate employees, Distribution Center employees and field sales representatives.

Lawson Corporate Team:

Corporate Team	# of Employees
★ Corporate (Executive Mgmt)	★ 2
★ Corporate (Finance)	★ 32
★ Corporate (Human Resources)	★ 17
★ Corporate (Information Tech)	★ 46
★ Corporate (Legal)	★ 3
★ Corporate (Mktg & Cont Improve)	★ 5
★ Corporate (Prod Mgmt & Pricing)	★ 42
★ Corporate (Sales Operations)	★ 70
★ Corporate (Sales, US Lawson)	★ 5

★ Corporate (Supply Chain)	★ 27
----------------------------	------

Lawson Distribution Center:

Distribution Center Team	# of Employees
★ McCook (Supply Chain)	★ 164
★ Suwanee (Supply Chain)	★ 48
★ Reno (Supply Chain)	★ 34
★ Bolt (Supply Chain)	★ 162
★ Mississauga (Supply Chain)	★ 30
★ Surrey (Supply Chain)	★ 5

Lawson Sales representatives regionally:

Region / Province	# of Field Sales Representatives
★ Southeastern US	★ 204
★ Eastern US/Mid-America	★ 375
★ Southwestern US	★ 185
★ Western US	★ 209
★ Canada Ontario	★ 31
★ Canada Quebec	★ 31
★ Canada British Columbia	★ 22
★ Canada Alberta	★ 21
★ Canada Saskatchewan/Manitoba	★ 22
★ Canada Nova Scotia	★ 21
★ Canada New Brunswick	★ 15
★ Canada Newfoundland/Labrador	★ 12
★ Canada Prince Edward Island	★ 5

C. Number and location of support centers (if applicable) and location of corporate office.

Lawson Products' Response:

Lawson Corporate Headquarters is located at 8770 W. Bryn Mawr, Chicago, Illinois 60631.

Lawson Distribution Centers are located:

Lawson McCook – USA

Size: **306,805** SF
8801 W. 47th St.
McCook, Illinois 60525
708-225-0100

Lawson Suwanee – USA
size: **101,800** SF
1197 Satellite Blvd. Suwanee, GA 30024

Lawson Reno – USA
size: **105,769** SF
1381 Capital Boulevard
Reno, Nevada 89502

Canada

Lawson – Canada
size: **65,100** SF
7315 Rapistan Court
Mississauga, Ontario

Lawson – Canada
size: **15,000** SF
Calgary, Alberta
Canada T1X0L3

Lawson – Canada
size: **5,900** SF
Surrey, British Columbia
Canada V1M3G5

D. Annual sales for the three previous fiscal years.

Lawson Products’ Response:

Lawson has been continuously in business since its founding in 1952. Over the last three years, Lawson’s sales reflect a company-wide average of 10% growth, with the Government sector comprising 12% of total 2018 revenue. Lawson’s three-year annual sales include:

2016	\$276,573,000.00 (increase of 7.3% vs. 2015)
2017	\$305,907,000.00 (increase of 10.6% vs. 2016)
2018	\$349,637,000.00 (increase of 14.3% vs. 2017)

E. Submit FEIN and Dunn & Bradstreet report.

Lawson Products’ Response:

Lawson holds Dun & Bradstreet number 00-543-8890. Below is Lawson’s Dunn & Bradstreet report segmented. Please see electronic file on jump drive for full report.

LAWSON PRODUCTS, INC.

Trade Names: No trade names for this company.

ACTIVE HEADQUARTERS

D-U-N-S Number:
00-543-8890
Company:
LAWSON PRODUCTS, INC.

D&B Address

Address:
8770 W BRYN MAWR AVE STE 900
CHICAGO, IL, US - 60631
Location Type:
HEADQUARTERS
Phone:
773-304-5050
Fax:
Web:
<http://www.lawsonproducts.com/>
Added to Portfolio:
06/12/2019
Endorsement:
debbie.kuntz@lawsonproducts.com
Last View Date:
11/19/2019

Company Summary

SCORE BAR

PAYDEX®

70
Paying 15 days past due

Commercial Credit Score Percentile

28
Moderate to High Risk of severe payment delinquency.

Financial Stress Score National Percentile

63
Moderate Risk of severe financial stress.

D&B Viability Rating



[View More Details](#)

Bankruptcy Found

N

D&B Rating

5A2
5A indicates 50 million and over, Credit appraisal of 2 is good

&B VIABILITY RATING SUMMARY

Viability Score

Viability Score :1
Low Risk:1 ; High Risk:9

Portfolio Comparison

Portfolio Comparison :3
Low Risk:1 ; High Risk:9

Data Depth Indicator

Data Depth Indicator :A
Predictive:A ; Descriptive:G

Company Profile:

A

Financial Data

Available

Trade Payments

Available (3+Trade)

Company Size

Large

Years in Business

Established

F. Describe any green or environmental initiatives or policies.

Lawson Products' Response:

Lawson believes the incorporation of sustainable business practices increases our operational effectiveness, can decrease costs and promotes a positive corporate culture.

Lawson' sustainability core team includes Rick Pufpaf, VP, Compensation & Benefits and Chief Compliance Officer, Heather Buck, Senior Director, Technical Services and Product Information Management, and Nick Del Vecchio, Manager, Safety.

Lawson is cognizant and endeavors to promote environmental sustainability goals that help position our company to succeed in an increasingly resource-constrained world. Lawson is very versed in the Government Sales/Public Sector space. Lawson's sustainability standards for products are based on life cycle research and are developed in an open and transparent stakeholder process. Lawson continues to acquire and source more environmentally sound products that are GS-37 certified (Green Seal), NEMA certified, and RoHS certified. Throughout 2019, we have worked to develop a new set of goals by assessing the external influences that could potentially impact our company and in turn, our customers, over the near and long term. All required product from Lawson is labeled to meet all ECCO Standard requirements with Eco-labels, Green Stickers Design for the Environment, Energy Star, Certifications, etc. This labeling of product is overseen and audited following Lawson's ISO 9001.

The environmental footprint of our products can be favorably impacted by how we decided to make them and purchase them. So, we use green and sustainable design principles and other environmental design criteria in the development of our manufactured spec processes within our proprietary product, our distribution and our packaging right from the start.

Through a broad mix of initiatives, Lawson is increasingly focused on how to operate as a "green" company. Here are some of our recent accomplishments:

1. A pilot program that removed 12 tons of corrugate usage from one distribution center location in less than four months (this program is being evaluated for expansion into other distribution centers)
2. Over a six-month period, Lawson disposed of 2,000 boxes of old files that were shredded and recycled. That spared 150 skids worth of waste
3. A Six Sigma project identified an opportunity to reformat our invoices, more effectively using quite space and resulting in 750,000 fewer pages in printed invoices annually
4. A Six Sigma project resulted in orders shipping in fewer corrugate boxes and a reduction in the use of packing materials by more effectively using space within each box
5. Instituting recycling programs for lamps/ballasts, dry cell batteries and mercury containing devices
6. Retrofitting all distribution centers with energy-efficient lighting systems
7. Shifting our electrical sourcing program away from GHG emitting sources and towards wind and solar energy

8. Incorporating sustainability metrics into our supplier score card to ensure suppliers of products and services to Lawson operate in an environmentally responsible way

Our analysis shows that a large portion of our water use and greenhouse gas emissions are generated upstream of our own operations in various tiers of our supply chain and downstream by our suppliers and transport companies. We realize that in order to make a truly meaningful reduction in our overall environmental impact, we must engage with our suppliers to drive positive change.

We partner with our carriers to create efficient routing systems to not only meet our logistical needs but also minimize emissions and gas consumption.

United Parcel Service Transport: Lawson has partnered with UPS for inbound and outbound shipping and transportation services. UPS has an established documented Environmental Policy and is a SmartWay Partner. In an effort to maintain a leadership role in protecting the environment, UPS continually strives to improve technology and environmental performance. Link to UPS sustainability policy in which Lawson partners with: <https://sustainability.ups.com/resources/policies-and-procedures/>

United States Postal Service: The U.S. Postal Service joined SmartWay several years ago as a logistics partner. Additionally, the U.S. Postal Service has a long-established alternative fuel vehicle program working in tandem with SmartWay. Currently, the USPS is on track to increase alternative fuel use 10% annually.

In addition to recycling and more efficient energy usage initiatives, Lawson continues to acquire and source more environmentally sound products that are GS-37 certified (Green Seal) and RoHS certified.

GS-37 certified (Green Seal): Green Seal® is the nation's premier non-for-profit ecolabel, symbolizing transparency and integrity in identifying products that reduce toxicity to the environment.

The Green Seal Standard for Industrial and Institutional Cleaners, GS-37, establishes requirements for industrial and institutional general-purpose, restroom, glass, carpet cleaners, and biologically-active cleaning products (enzymatic and microbial products for routine cleaning). Green Seal's evaluations are conducted within scientific facilities and use internationally accepted standards. For a full list of evaluation criteria, please see <https://www.greenseal.org/green-seal-standards/gs-37/>.

RoHS certified: The RoHS directive aims to restrict certain dangerous substances commonly used in electronic and electronic equipment. The Reduction of Hazardous Substances (RoHS) regulations set limits for the following substances:

- Lead
- Mercury
- Cadmium
- Hexavalent Chromium
- Polybrominated Biphenyls (PBB)
- Polybrominated Diphenyl Ethers (PBDE)

For a full list of evaluation criteria, please see <http://rohscertificate.com/>.

Lawson also uses these benchmarks to help build our companies social and environmental responsibilities: OSHA (Occupational Safety and Health Administration), EEOC (Equal Employment Opportunity Commission), CPSC (Consumer Product Safety Commission), and the EPA (Environmental Protection Agency).

Lawson recognizes different government entities employ varying degrees and methodologies for evaluating a supplier's sustainability level. We are committed to shape our future sustainability initiatives with input from Region 4 ESC / OMNIA Partners' participants.

G. Describe any diversity programs or partners supplier does business with and how Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program.

Lawson Products' Response:

Lawson is committed and supports the growth of businesses owned by minorities and women by giving these businesses the opportunity to compete for our business. An expanding distribution network, wide selection of product offering and delivery options help customers save time and money.

Lawson has an affirmative action policy, which is supported by Senior Leadership throughout the organization. Lawson works with minority placement agencies to source applicants from protected classes, including females, minorities, individuals with disabilities and veterans. Lawson is proactive in encouraging employee referrals, including and especially from our current workforce who fall within protected classes.

H. Describe any historically underutilized business certifications supplier holds and the certifying agency. This may include business enterprises such as minority and women owned, small or disadvantaged, disable veterans, etc.

Lawson Products' Response:

Lawson currently has subcontracting goals of 40% for Small Business (SB), 3% for HUBZone Small Business (HZSB), 6% for Small Disadvantaged Business (SDB), 5% for Women-Owned Small Business (WOSB), 5% for Veteran-Owned Small Business (VOSB) and 3% for Service-Disabled Veteran-Owned Small Business (SDVOSB).

Lawson actively promotes the inclusion and growth of small disadvantaged business types in its supplier base. As shown in the numbers above, in order to achieve even modest growth toward Lawson's goals requires a large reallocation of supply dollars to small business vendors. Lawson's goods are often manufactured to exact engineering specifications, backed by a Lawson's liability policy. As a result, finding alternative sources of supply for core products is not always an easy task.

Following is a list of several activities or programs that we have instituted in support of these goals:

1. Program Management
 - a. We have designated a team member responsible for increasing the diversity of our supplier base. This individual attends local trade fairs sponsored by the SBA and the Lake County Procurement Assistance Center to promote local small and disadvantaged businesses. The sourcing team at Lawson will continue to identify potential minority suppliers with whom we believe will help us to attain our category goals.
 - b. We hold Subcontracting meetings that are hosted by the Government Sales Department. These meetings are held to identify areas for improvement and also to discuss success within each quarter.
2. Vendor Sourcing and Selection
 - a. As part of our annual recertification process, we contact *each* of our existing vendors to review their full line of capabilities and better understand if Lawson might be able to increase its spend with small business. We continue to place particular emphasis on any HUBZone, Small Disadvantaged and SDVOSB businesses to increase the percentage of Lawson business with these minority groups. Upon request, we can provide our entire vendor listing (724 vendors) and the Business Classification based on our annual self-certification surveys.
 - b. The entire printing and merchandising function at Lawson has been sourced to a local Chicago based Small Business as of FY2007. This includes the annual printing of Lawson's product catalog — and all collateral available for use with our sales force and customers.
3. Small and Disadvantaged Business Partners
 - a. Outside of these efforts, Lawson has also established a "Diversity Marketing Program" for both Strategic and Government accounts. The aim of this program is to establish relationships with Veteran Owned and Veteran Disabled companies through teaming relationships. We have established such business relationships with select companies and continue to actively pursue others in order to have a footprint of relationships with small business partners that are nationwide.

I. Describe how supplier differentiates itself from its competitors.

Lawson Products' Response:

Lawson goes to market very differently from its competitors – we offer value added services that differentiates us from typical Retail vendors through our service intensive value proposition, vendor managed inventory solutions, broad product knowledge for best use applications, product education and investment back into the company to empower customers and field sales representatives people alike.

- Through Service intensive/"high touch" value proposition to our customers

Our credo is to be our customer's first choice for Maintenance, Repair and Operational solutions that improves their operating performance. Lawson's Mission is to work closely with our customers to maintain and enhance their operations through products, services and innovative solutions. Lawson's Values is to act with integrity in every aspect of our business, are open to change, focused on the future and continuously learning and improving, focused on delivering value and results, and finally are team orientated as in we share ideas, talents and solutions to achieve maximum results.

- Through Vendor Managed Inventory/"keep fill" to our customers

Lawson's goal of onsite distribution and supply stocking services is to provide a mutually beneficial relationship where both sides will be able to more smoothly and accurately control the availability and flow of goods for all participating locations. In onsite distribution and supply stocking services, Lawson assumes the role of inventory planning for the customer. Extensive information sharing between Lawson and the customer is required so that the Lawson can maintain a high degree of visibility of goods/requirements at each location. Instead of the customer reordering when its supply has been exhausted, Lawson is responsible for replenishing and stocking the customer at appropriate agreed upon levels. Lawson has mastered onsite distribution and supply stocking services and Lawson takes the lead against many other organizations and how they benchmark themselves.

Our field sales representatives are the most experienced and tenured in the industry and are skilled at identifying maintenance challenges and recommending product solutions to address them. They are backed by our team of technical and engineering professionals. A Lawson field sales representative will call on OMNIA Partners' participants on a participant-initiated schedule to take inventory, create a replenishment order for approval, and re-stock inventory once it arrives at the participant's location. In effect, each location will have an additional, unpaid parts expert to care for their consumable MRO inventory. Each Lawson field sales representative's ultimate goal is to be seen as a valued and integrated member of each participant's team.

- Through deep product knowledge for our customers

The primary goal of our vendor managed inventory business model is for our customers to have, "the right part, in the right place, at the right time." To ensure they have "the right part" Lawson offers product application and safety training to all customers, including OMNIA Partners' participants. Training is offered by one of two individuals or teams: 1) our industry-seasoned Lawson sales representatives or 2) our Technical and Engineering personnel. Training can be offered on-site in an interactive, hands-on format or virtual education depending on each customer's unique needs.

Our comprehensive level of technical knowledge and engineering depth is a key strength, and a definite advantage to OMNIA Partners' participants. We bring a personal, hands-on approach, while helping the end user customer anticipate business needs and prevent costly downtime. Engineering is the back bone of everything we do at Lawson from product development to application analysis.

- Through broad geographic sales and service coverage throughout North America

Lawson's Distribution Centers are full stocking. The Distribution Centers can guarantee next day delivery in an emergency utilizing air freight services. Lawson Customer Pick-Up service in an emergency to pick up the necessary parts is available at our Distribution Centers. Lawson ships 99% of all lines complete within 24 hours from 6 Distribution Centers strategically located throughout North America. Lawson ships via all ordering methods **FOB Destination** for standard shipping methods. The following illustration demonstrates the geography serviced by each D.C.



- Through investment in people, facilities and technologies

Lawson believes in providing the right part at the right time to our customers. Educational training whether through our first line of customer interaction – the field sales representative, or the last line of customer interaction – customer service, is critical to conducting mutually beneficial business partnerships to meet the needs of our valued customers. Understanding Region 4 ESC and OMNIA Partners’ participants, needs and expectations are paramount to a successful business relationship and are exacted through consistent and positively reinforced training. Training is re-evaluated on a consistent basis and assessed through metrics and customer satisfaction surveys. This data mining at the customer level helps Lawson design and implement concise training vehicles to promote total customer satisfaction.

- Through lowest total cost for our customers

A company's ability to reduce transaction cost and control spend have become increasingly important in today's economy. Lawson can assist OMNIA Partners’ participants with their spend management initiatives by using one of our E-Business Solutions. We have several advantages such as:

- A dedicated E-Procurement website which offers one of the fastest integrations in the industry
- A standards-based E-Procurement Solutions for hassle free integration
- E-Invoicing capabilities
- Ariba-Ready certification for Catalog and “punch-out” options
- Customized catalog
- Customer-specific pricing
- A knowledgeable team of seasoned professionals for supporting implementations

J. Describe any present or past litigation, bankruptcy or reorganization involving supplier.

Lawson Products’ Response:

On August 11, 2008, Lawson entered into a Deferred Prosecution Agreement (“DPA”) with the United States Attorney General for the Northern District of Illinois. Lawson filed a copy of the Deferred Prosecution Agreement with the Securities and Exchange Commission upholding and fully complying with its obligations set forth under the Agreement. On August 19, 2011 the United States District Court

for the Northern District of Illinois issued an order dismissing the information against Lawson with prejudice in Case No. 08-CR-633.

K. Felony Conviction Notice: Indicate if the supplier

a. is a publicly held corporation and this reporting requirement is not applicable;

Lawson Products' Response:

Lawson Products is a publicly held corporation and this reporting requirement is not applicable.

b. is not owned or operated by anyone who has been convicted of a felony; or

c. is owned or operated by and individual(s) who has been convicted of a felony and provide the names and convictions.

L. Describe any debarment or suspension actions taken against supplier

Lawson Products' Response:

Lawson is not presently and has not been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

3.2 Distribution, Logistics

A. Describe the full line of products and services offered by supplier.

Lawson Products' Response:

Lawson's product offerings are listed on our websites and in catalogs distributed to our customers. Sales percentages by broad product categories of our product mix in 2018 were as follows:

Fastening systems (nuts, bolts, screws, etc.)	21%
Fluid power (hoses and fittings)	15%
Chemicals (adhesives, coatings, paints, drain maintenance)	14%
Cutting tools and abrasives (drill bits, saw blades, grinding discs)	14%
Electrical (adapters, wire, connectors, battery maintenance)	11%
Aftermarket automotive accessories (repair clips, wheel weights, bulbs)	9%
Safety (personal protective equipment, apparel, signs, logout tag-out)	4%
Welding and metal repair(welding rods, helmets and accessories)	2%
Other (shop supplies and hand tools)	10%

Lawson's strength within the Maintenance, Repair & Operations (MRO) industry is two-fold:

- 1) **Product Specialization:** Our expertise in offering consumable MRO parts able to meet different performance specifications: from commodity-grade quality, to national brands, to private-label maintenance-engineered quality
- 2) **VMI Service Capabilities:** Our vendor-managed inventory services are delivered by approximately 1,000 field sales representatives around the U.S. and Canada and approximately 50 within the State, giving Lawson the ability to serve virtually every community with a hands-on approach regardless of size or geographical location

For each major product category listed below, we have identified the approximate number of SKUs in the category and a sampling of significant manufacturer/supplier partners as an idea of what is available to all OMNIA Partners' participants should Lawson be selected as OMNIA's cooperative partner.

Fasteners: nuts, bolts, screws, etc.

Lawson offers 25,365 products within this category and includes the following manufacturers/suppliers:

- | | |
|-------------|-------------|
| • Alcoa | • Fontana |
| • Brighton | • Titan |
| • Car-Pak | • Precision |
| • Lindstrom | • Alleghany |

Pneumatics: tools and system components.

Lawson offers 18,645 products within this category and includes the following manufacturers/suppliers:

- | | |
|-------------------|---------------------|
| • Parker-Hannifan | • Eaton-Weatherhead |
| • Legris | • Milton |
| • Coxreels | • Brennan |
| • Dixon | • Gates |

Hand Tools: hand and power tools.

Lawson offers 4,063 products within this category and includes the following manufacturers/suppliers:

- | | |
|------------------|----------------------|
| • Chicago Brand | • Greenlee |
| • Klein Tools | • Makita |
| • Black & Decker | • Milwaukee Electric |
| • Dewalt | • Bosch |
| • SK | • Ingersol Rand |

Cutting Tools: drill bits, abrasives, and blades.

Lawson offers 7,209 products within this category and includes the following manufacturers/suppliers:

- Black & Decker
- Snap-On
- Greenfield
- Viking
- Precision
- 3M
- Republic
- Lavalee

Electric: lamps, flashlights, ballasts, and batteries.

Lawson offers 6,154 products within this category and includes the following manufacturers/suppliers:

- Greenlee
- Hubbell
- Klein
- Revere
- East Penn
- Thomas & Betts
- Molex
- Littlefuse
- Breeze
- Pelican

Shop Supplies: equipment and janitorial-type products.

Lawson offers 835 products within this category and includes the following manufacturer/suppliers:

- Kimberly-Clark
- 3M
- Weiler Brush
- Airgas
- Pelican
- Shop Vac

Welding: welding equipment and supplies.

Lawson offers 1,156 products within this category and includes the following manufacturers/suppliers:

- Steiner
- Atlas
- Washington Alloy
- Eutectic
- Victor
- ArcSmith
- Weld Wire
- American

Material Handling: ladders, cabinets, carts, and storage.

Lawson offers 3,198 products within this category and includes the following manufacturers/suppliers:

- Columbus McKinnon
- Louisville Ladder
- Apex Tool
- Lift All
- Chicago Hardware
- Timken
- E R Wagner
- OK Rig

Safety Supplies: personal protective equipment, signage, and instruments.

Lawson offers 3,823 products within this category and includes the following manufacturers/suppliers:

- | | |
|-------------|-------------|
| • 3M | • Airgas |
| • Justrite | • Brady |
| • Ergodyne | • Eagle |
| • Benchmark | • R3 Safety |
| • Anderson | • Global |

Automotive Supplemental Supplies: Fasteners, clips, and cleaning supplies.

Lawson offers 6,049 products within this category and includes the following manufacturers/suppliers:

- | | |
|---------------|-----------|
| • Car-Pak | • Grote |
| • US Tool | • Bosch |
| • Dorman | • Busch |
| • Great Lakes | • Perfect |

Chemicals: lubricants, seals, paints, and adhesives.

Lawson offers 1,768 products within this category and includes the following manufacturers/suppliers:

- | | |
|---------------------|--------------|
| • Krylon | • Loctite |
| • Metalcote | • Cox |
| • Sherwin | • Rubbermaid |
| • Milwaukee Sprayer | • Nyco |
| • US Chemical | • Sealmaster |

In addition to our extensive in-stock product offering, we offer special product sourcing personnel to support any product needs outside of our stocked offering for OMNIA Partners' participants at no additional cost and if the need arises. Lawson believes in sourcing products using a simple philosophy – "like or better." Our special products sourcing specialists work hand in hand with customers, procurement personnel and our own sales representatives to understand all necessary specifications and performance requirements, then submit our recommendations for solutions that meet their needs.

In Lawson's opinion, vendor-managed inventory service is inextricable from consumable MRO products. "Like mom and apple pie," they go together for many reasons and ought to be provided if a supplier is to offer a truly valuable customer solution. This is because consumable MRO products are inherently:

- low cost per piece which leads them to be overlooked in terms of spend and budget;
- numerous within a customer's shop or parts room which makes inventory levels easy to lose track of;

- easily confused with one another due to the broad range of sizes, material types, and specification levels which leads to confusion on the part of maintenance professionals seeking the right part for the job they're performing

The confluence of the three challenges above typically result in:

- neglected inventory levels
- products out-of-stock or overstocked based on typical usage patterns
- already-stretched-thin maintenance staff spending hours tracking and maintaining their own inventory
- rogue spending, overspending and lost productivity when maintenance professionals have to run out to buy parts on the fly

Lawson's approximately 1,000 field sales representatives not only take orders for product from the maintenance professionals they serve but also provide inventory management services for them. This valuable service is offered free of charge to all Lawson customers and:

- establishes min/max inventory levels for each item in a shop avoiding outages and overstocked products
- decreases the variety of different products a shop has on hand, identifying opportunities where buying one kind of product can replace buying many varieties of a product
- frees up maintenance staff to repair the equipment and maintain the facilities they're required to maintain instead of managing parts inventory level
- gives maintenance staff and procurement professionals visibility into what they're spending on consumable MRO products using data and reports provided to them by their Lawson field sales representative

To achieve these benefits, Lawson field sales representatives employ a process-oriented and data-driven approach to managing their customers' inventory.

This combination of products and service results in more efficient and cost-effective operations for our customers. Lawson's proven track record of longevity provides validation that customers value our core purpose and business philosophy to provide "the right parts, in the right place, at the right time."

B. Describe how supplier proposes to distribute the products/service nationwide. Include any states where products and services will not be offered under the Master Agreement, including U.S. Territories and Outlying Areas.

Lawson Products' Response:

Lawson has six state-of-the-art distribution centers across the U.S. and Canada. Lawson ships 99% of all lines complete within 24 hours from these six distribution centers and also offers will-call services at each center. Lawson ships FOB Destination for standard shipping methods. Lawson can guarantee next day delivery in an emergency utilizing air freight services, for an additional cost to the customer, if necessary. Lawson Distribution Centers are full stocking. Lawson Customer Pick-Up service in an

emergency to pick up the necessary parts is available at our Distribution Centers through our will-call window.

Our McCook facility location is over 306,805 square feet housing more than \$25,600,000.00 in annual stock and is the center point of all our other distribution centers in the US market. The McCook, IL location helps feed the product into all our other 2 centers around the USA which allows Lawson the ability to always ensure there is a ready available of stock on hand at all times. With our “Just In Time” inventory solutions, OMNIA Partners’ participants will virtually eliminate immediate inventory needs.

USA

- Lawson McCook – USA / Size: 306,805 SF
8801 W. 47th St., McCook, Illinois 60525
- Lawson Suwanee – USA / Size: 101,800 SF
1197 Satellite Blvd., Suwanee, GA 30024
- Lawson Reno – USA / Size: 105,769 SF
1381 Capital Boulevard, Reno, Nevada 89502

Canada

- Lawson – Canada / Size: 65,100 SF
7315 Rapistan Court, Mississauga, Ontario
- Lawson – Canada / Size: 15,000 SF
Calgary, Alberta, Canada T1X0L3
- Lawson – Canada / Size: 5,900 SF
Surrey, British Columbia, Canada V1M3G5

Lawson has been in business since 1952. Our ability to service our customers with just in time VMI inventory set us apart for our competitors. OMNIA Partners’ participants will have access to our full distribution centers, their staff, our dedicated customer service staff, field sales representatives that have unparalleled MRO experience (most with over 25+ years in this industry), a fully supported engineering staff and training staff at the ready to service OMNIA Partners’ participants, and a full Specials Team that has the ability to source product needed that may fall outside of this proposal. A dedicated sales staff, distribution staff, management staff and support staff will be in place to service OMNIA Partners’ participants.

In additional to Lawson’s long-standing presence in the Canadian market, we have acquired three MRO hardware distributors in Canada over the past two years, further enhancing our ability to serve OMNIA Partners’ participants in Canada. Our extensive list of distribution centers and branch locations in Canada are as follows:

Mississauga, Ontario	Distribution Center	78,000 SF
Calgary, Alberta	Distribution Center	43,700 SF
Calgary, Alberta (Foothills)	Branch	11,200 SF

Calgary, Alberta (South)	Branch	10,300 SF
Calgary, Alberta (North)	Branch	6,900 SF
Edmonton, Alberta (North)	Branch	6,000 SF
Edmonton, Alberta (South)	Branch	5,600 SF
Fort McMurray, Alberta	Branch	7,500 SF
Lethbridge, Alberta	Branch	3,400 SF
Medicine Hat, Alberta	Branch	4,900 SF
Prince Albert, Saskatchewan	Branch	4,300 SF
Red Deer, Alberta	Branch	4,100 SF
Regina, Saskatchewan	Branch	4,800 SF
Saskatoon, Saskatchewan	Branch	10,800 SF
Winnipeg, Manitoba	Branch	5,800 SF

The Lawson field sales representative is an on-site product and inventory management expert for OMNIA Partners' participants. Our representatives are the most experienced and tenured in the industry and are skilled at identifying maintenance challenges and recommending product solutions to address them. They are backed by our team of technical and engineering professionals. A Lawson field sales representative will call on OMNIA Partners' participants on an participant-initiated schedule to take inventory, create a replenishment order for approval, and re-stock inventory once it arrives at the participant's location. In effect, each location will have an additional, unpaid parts expert to care for their consumable MRO inventory. Each Lawson field sales representative's ultimate goal is to be seen as a valued and integrated member of each participant's team.

Being on site with end users allows Lawson's field sales representatives the opportunity to get to know their customers' operations firsthand. This includes understanding each customer's MRO product usage patterns so they can manage their inventory levels more closely, minimizing the overstocking and understocking challenges commonly associated with self-managed inventory. Extensive information sharing between Lawson and OMNIA Partners' participants is required so that the Lawson can maintain a high degree of visibility of goods/requirements at each location. At the same time, the Lawson field sales representative will review the condition and status of all bin equipment and a site-specific plan will be developed between Lawson and participant customer shop individually. Lawson's Field Sales Representative Service Model and our Vendor Managed Inventory system integrates the OMNIA Partners' participants' buying algorithms (based on consumption and acceptable min/max inventory levels) into customized and organized inventory. Inventory consolidation and standardization results in significant cost savings and can potentially minimize any capital investment in inventory while providing "package friendly" quantities that assure maximum productivity to the customer locations.

Our field sales representatives take inventory of existing items, recommend items and quantities for re-order, and returning to put the inventory away in its proper place. It's important to note that in Lawson's vendor managed inventory model orders are never placed without the buyer's prior knowledge and approval.

- C. Describe how Participating Agencies are ensure they will receive the Master Agreement pricing; include all distribution channels such as direct ordering, retail or in-store locations, through distributors, etc. Describe how Participating Agencies verify and audit pricing to ensure its compliance with the Master Agreement.

Lawson Products' Response:

Lawson has strict compliance with regard to ensuring OMNIA Partners' participants obtain accurate, contractual pricing from the time an account is established with Lawson.

New account creation protocol requires our Lawson field sales representatives work through our Government Operations Team to ensure proper and comprehensive set-up of all OMNIA Partners' requiring new Lawson accounts at the granular account level.

The Government Operations Team then verifies the customer against the OMNIA Partners' participant list to determine if they are a bona fide member of the cooperative. The account request is then associated with correct Region 4 ESC / OMNIA Partners pricing and is grouped together with other OMNIA Partners' participants' accounts for the purposes of reporting.

On the first business day of the week, Lawson audits the prior week's new accounts using a customized report to target potential problematic areas (i.e., improper pricing or inexact report tagging). Any incorrectly identified accounts are gathered and corrected. Internal service-level agreements between the departments responsible for auditing and fixing errors assure a 24-hour turnaround time and in most cases, do not exceed a 2 hour timeframe.

The report is then re-run on the second day of the week for those now corrected accounts to confirm completeness and correctness.

Monthly reports to OMNIA Partners are identified and timed in advance and are managed through our contract management system to ensure timeliness of reporting and remittance of the administrative fee.

Lawson has the ability to create any kind of report for OMNIA Partners' participants on an ad hoc, monthly, quarterly or annual basis. Reporting can include the following:

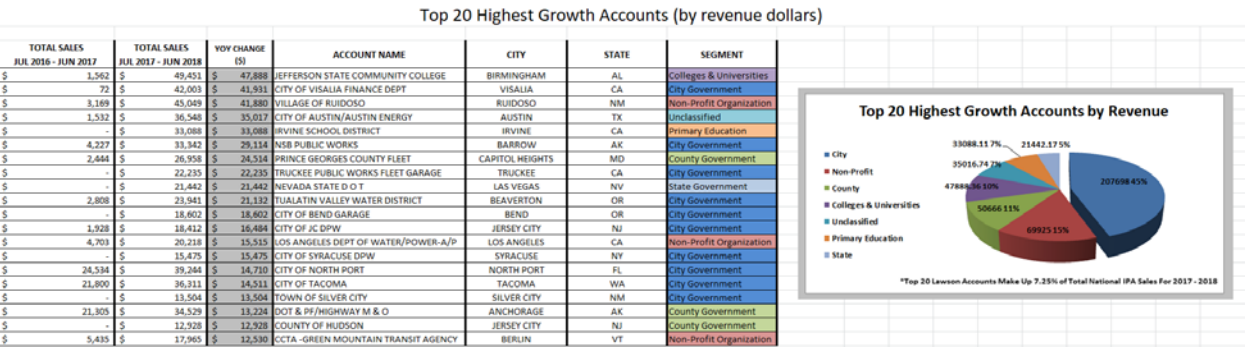
- Cost savings reports
- Product usage reports
- Comparison reports over time (e.g. year-over-year, month-over-month)
- Fill rate reports
- Monthly contract sales reporting

On a frequency determined by OMNIA Partners, Lawson will report the results of all Region 4 ESC / OMNIA Partners Cooperative contract sales using the template provided by OMNIA Partners, drilling down to the required level of detail specified by OMNIA Partners in order to assess funding fees due to the cooperative. Fields typical of contract reporting include the participant name, address, participating

agency membership number, date of transaction, contract sales for that participant, the percentage of funding fee and the total dollar of the funding fee. The aggregated total is then remitted by Lawson via check or electronic transfer as required by OMNIA Partners and all completed within the allowable timeframe as dictated by the contracting officer.

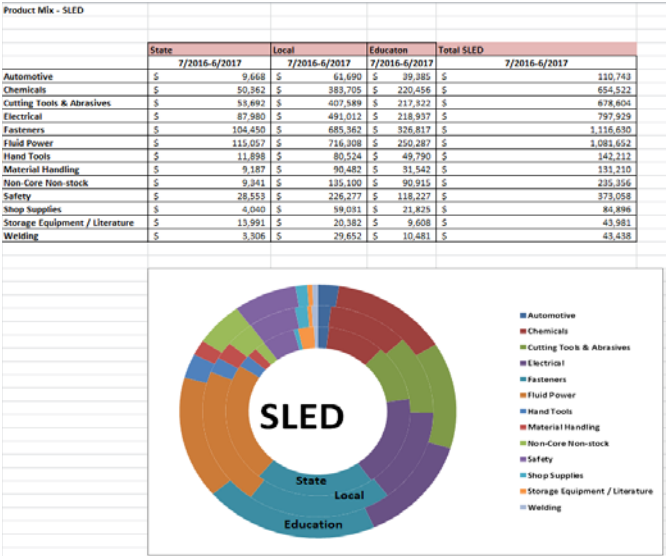
Lawson also welcomes the opportunity to host business reviews with Region 4 ESC / OMNIA Partners at regular intervals to provide more in-depth quantitative and qualitative analysis of our performance. See the examples that follow illustrating the type of information that could be shared at a business review.

(See the following sample reports.)



Total Sales By Product Category
2 Year Analysis

	Primary Education		State Government		City Government		County Government		Colleges/Univer		Non-Profit Orgs		Public Health	
	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018	7/2016-6/2017	7/2017-6/2018
Automotive	\$ 28,194	\$ 32,041	\$ 9,948	\$ 9,668	\$ 23,112	\$ 40,896	\$ 11,421	\$ 20,794	\$ 2,050	\$ 7,344	\$ 12,735	\$ 19,805	\$ 273	\$ 554
Chemicals	\$ 132,378	\$ 179,057	\$ 48,330	\$ 50,382	\$ 174,123	\$ 248,212	\$ 91,202	\$ 135,492	\$ 31,816	\$ 43,398	\$ 97,182	\$ 131,443	\$ 9,812	\$ 7,270
Cutting Tools & Abrasives	\$ 117,230	\$ 162,216	\$ 28,099	\$ 33,692	\$ 209,059	\$ 285,038	\$ 82,126	\$ 122,551	\$ 35,385	\$ 55,106	\$ 54,689	\$ 79,438	\$ 4,584	\$ 6,713
Electrical	\$ 140,066	\$ 179,842	\$ 65,710	\$ 87,880	\$ 228,879	\$ 350,132	\$ 89,669	\$ 140,880	\$ 25,826	\$ 44,895	\$ 57,988	\$ 69,462	\$ 2,156	\$ 4,301
Fasteners	\$ 183,923	\$ 231,715	\$ 85,563	\$ 104,450	\$ 352,878	\$ 495,794	\$ 144,506	\$ 189,568	\$ 58,867	\$ 95,102	\$ 47,041	\$ 78,235	\$ 4,689	\$ 9,137
Fluid Power	\$ 162,119	\$ 207,041	\$ 84,737	\$ 115,057	\$ 355,997	\$ 554,676	\$ 119,928	\$ 161,632	\$ 31,733	\$ 45,246	\$ 59,534	\$ 108,312	\$ 3,494	\$ 5,796
Hand Tools	\$ 16,470	\$ 38,035	\$ 6,271	\$ 11,898	\$ 43,714	\$ 60,477	\$ 17,025	\$ 20,047	\$ 5,306	\$ 11,755	\$ 9,275	\$ 10,847	\$ 488	\$ 729
Material Handling	\$ 15,243	\$ 19,418	\$ 15,372	\$ 9,187	\$ 67,955	\$ 61,852	\$ 28,204	\$ 28,629	\$ 1,356	\$ 12,124	\$ 9,348	\$ 11,230	\$ 182	\$ 884
Non-Core Non-stock	\$ 34,293	\$ 39,455	\$ 5,340	\$ 9,392	\$ 57,130	\$ 96,684	\$ 30,289	\$ 38,239	\$ 6,079	\$ 51,361	\$ 17,509	\$ 26,716	\$ 565	\$ 637
NOT ASSIGNED	\$ 11,208	\$ 99	\$ 29	\$ 150	\$ 163,389	\$ 55,723	\$ 62,888	\$ 21,889	\$ 23,693	\$ 63,021	\$ 63,518	\$ 1,766	\$ 2,229	\$ -
Safety	\$ 67,140	\$ 94,534	\$ 12,207	\$ 28,553	\$ 10,436	\$ 15,510	\$ 2,462	\$ 4,871	\$ 1,487	\$ 2,639	\$ 4,440	\$ 7,546	\$ -	\$ 221
Shop Supplies	\$ 18,818	\$ 16,280	\$ 3,093	\$ 4,040	\$ 18,889	\$ 27,394	\$ 23,768	\$ 31,677	\$ 8,242	\$ 5,544	\$ 16,880	\$ 19,307	\$ 308	\$ 362
Storage Equipment / Literature	\$ 4,581	\$ 6,949	\$ 16,519	\$ 13,991	\$ 10,436	\$ 15,510	\$ 2,462	\$ 4,871	\$ 1,487	\$ 2,639	\$ 4,440	\$ 7,546	\$ -	\$ 221
Welding	\$ 4,318	\$ 4,841	\$ 10,929	\$ 3,306	\$ 15,543	\$ 19,188	\$ 4,067	\$ 10,463	\$ 4,792	\$ 5,640	\$ 4,855	\$ 6,098	\$ -	\$ 367



D. Identify all other companies that will be involved in processing, handling or shipping the products/service to the end user.

Lawson Products' Response:

Lawson has partnered with UPS, FedEx, USPS and R&L Carriers as their primary carriers for shipping Lawson's products to the end user. These companies comprise 95% of Lawson's shipping methods for the end user. The remaining 5% are specialized shipping companies to transport products either to extreme rural areas or overseas which require specialized logistics.

E. Provide the number, size and location of Supplier's distribution facilities, warehouses and retail network as applicable.

Lawson Products' Response:

Lawson has six state-of-the-art distribution centers across the U.S. and Canada help support the entire USA including Alaska, Hawaii and Puerto Rico. Lawson ships 99% of all lines complete within 24 hours from these six distribution centers and also offers will-call services at each center which is open from 6 a.m. through midnight.

Our McCook facility location is over 306,805 square feet housing more than \$25,600,000.00 in annual stock and is the center point of all our other distribution centers in the US market. The McCook, IL location helps feed the product into all our other 2 centers around the USA which allows Lawson the ability to always ensure there is a ready available of stock on hand at all times. With our "Just In Time" inventory solutions, OMNIA Partners' participants will virtually eliminate immediate inventory needs.

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Lawson – Canada / Size: 15,000 SF
Calgary, Alberta, Canada T1X0L3

Lawson – Canada / Size: 5,900 SF
Surrey, British Columbia, Canada V1M3G5

3.3 Marketing and Sales

- A. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide, to include, but not limited to:
- i. Executive leadership endorsement and sponsorship of the award as the public sector go-to-market strategy within first 10 days
 - ii. Training and education of Supplier's national sales force with participation from the Supplier's executive leadership, along with the OMNIA Partners, Public Sector team within first 90 days

Lawson Products' Response:

The first 90 days after award are critical in creating alignment, engagement, and excitement amongst our corporate support departments (e.g. marketing, customer service, sales operations, contracting, legal, etc.) and 1,000 field sales representatives and sales leaders.

Lawson's team of Government Sales Managers, public sector contracting specialists, sales leaders, and executive leaders will be the primary individuals responsible for setting the go-to-market strategy and ensuring its consistent and continuous execution.

Below is an example of a 90-day plan describing the strategy to immediately implement with Lawson's sales organization and corporate support teams the Master Agreement as Lawson's primary go-to-market strategy for public sector agencies. This plan is designed to be flexible and informed by OMNIA Partners and Region 4 ESC.

Days 1-10:

- Work with OMNIA Partners' development team and sales managers to collaborate on implementation strategy for the contract overall and separately by SLED segments, including communication plan and training best practices
- Announcement of award and describing key implementation tactics to follow from executive leadership, including CEO, Mike DeCata and SVP of Sales, Matt Brown, using inter-company communications platforms and media:
 - Stand-alone email announcement
 - "Sales News" newsletter announcement
 - Message on homepage of Lawson Central, Lawson's intranet
 - Messages in newsfeeds of Microsoft Teams, Lawson's internal sales "social networking" platform
- Webinars and lunch-and-learns to deliver targeted information specific to each department regarding their role in supporting the Region 4 ESC contract and OMNIA Partners' participants. Departments receiving targeted information include:
 - Sales
 - Sales Operations
 - Customer Service
 - Contracting
 - Legal
 - Accounting

- Marketing (communications and digital)
 - PR
 - Sourcing
 - Pricing Operations
- Update the Region 4 ESC / OMNIA Partners page on Lawson's intranet with new contract documentation and revised marketing materials
- Assign regional sales managers, district sales managers and field sales representatives to mandatory digital curriculum in Lawson University, Lawson's interactive training and education platform. State and local sales education curriculum includes:
 - Selling the lead agency and cooperative procurement model
 - Compliance to contract terms and conditions
 - Understanding the public procurement process
 - Positioning Lawson in public sector accounts

Days 11-45:

- Load latest OMNIA Partners' participant list into customer management system for assignment to individual regional sales managers, district sales managers and field sales representatives
- Send district managers and field sales representatives supporting marketing tools, including flyers and brochures that specifically promote the Region 4 ESC contract with Lawson
- Based on strategy, establish OMNIA Partners-hosted training opportunities for Lawson's regional sales managers and district sales managers
- Deploy government sales account managers to each district to assist district managers and field sales representatives with opening new accounts and transitioning existing eligible public sector accounts to the Region 4 ESC contract
- Check in regularly with all Lawson departments impacted by the new contract (e.g. customer service, accounting, etc.) for feedback on progress and challenges

Days 46-90:

- Government sales account managers host district workshops in each U.S. sales district to deliver contract details, customer-level implementation plans, and reinforce previously delivered digital education topics on how to sell cooperative agreements (with OMNIA Partners' participation depending on schedule/availability)
- Monitor and measure conversion of new accounts to the Region 4 ESC agreement
- Follow-up with district managers and field sales representatives for feedback on their experiences and progress proliferating the new contract
- Continue to check in with all Lawson departments impacted by the new contract to ensure seamless experiences for all Region 4 ESC contract users and OMNIA Partners' participants
- Follow-up with OMNIA Partners' development and sales teams to gauge success and determine next steps

Key members of Lawson's public sector sales and operations team will lead the team responsible for the successful execution of the plan above. They are:

Christina Nielsen***Director, Government Sales and Operations***

Christina has spent 13 years in the industrial manufacturing and distribution industry, 10 years of which were spent leading the development and execution of customer engagement and demand generation programs. Under Christina's leadership of public sector sales at Lawson, sales to public sector customers have grown an average of 15% year-over-year. Sales attributed specifically to OMNIA Partners cooperative agreement resulted in 12% growth in 2018 vs. 2017. Christina will be responsible for both the 90-day go-to-market strategy outlined here in Appendix D, Exhibit A, Section 3.3, Letter A and the 90-day implementation and marketing program outlined in Appendix D, Exhibit A, Section 3.3, Letter B.

Lisa Castanon***Manager, Contracts and Compliance***

Lisa brings 28 years of experience in the MRO industry with the last 11 years of her career focused exclusively on the public sector. Lisa and her team manage the bid response process, ensure contract compliance, and manage implementation programs for awarded contracts, including Lawson's existing Region 4 ESC MRO contract. In 2016, she received her Six Sigma Black Belt Certification which reflects in the way she manages projects and solves problems. The combination of this experience and credentials highly qualifies Lisa to be the project leader for the 90-day plan outlined here.

Bernice "BJ" Najfus***Business Information Manager***

BJ has spent 5 years in the MRO space, all of which have been with Lawson as a business information analyst. BJ's 20+ year career before Lawson included roles in finance, accounting, and business analytics. She holds an undergraduate degree in Finance and a Master degree in Information Systems. BJ will assist Lisa in managing the data and reporting necessary to ensure successful execution of the go-to-market strategy.

John Swierc, Cainan Benoit, and Ryan Mullally***Government Sales Managers***

John, Cainan and Ryan bring with them a combined 20 years of experience in the MRO industry and with Lawson. They are responsible for securing contractual agreements with public sector entities and agencies across the United States in cooperation with our 1,000 field sales representatives and leaders. John, Cainan and Ryan have all had previous positions at Lawson in the field sales organizations, either as field sales representatives or district sales managers. This credibility and experience will serve them greatly as they work across the country to implement the 90-day go-to-market strategy in partnership with our field sales organization.

- B. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award, to include, but not limited to:
 - i. Creation and distribution of a co-branded press release to trade publications
 - ii. Announcement, Master Agreement details and contact information published on the Supplier's website within first 90 days

- iii. Design, publication and distribution of co-branded marketing materials within first 90 days
- iv. Commitment to attendance and participation with OMNIA Partners, Public Sector at national (i.e. NIGP Annual Forum, NPI Conference, etc.), regional (i.e. Regional NIGP Chapter Meetings, Regional Cooperative Summits, etc.) and supplier-specific trade shows, conferences and meetings throughout the term of the Master Agreement
- v. Commitment to attend, exhibit and participate at the NIGP Annual Forum in an area reserved by OMNIA Partners, Public Sector for partner suppliers. Booth space will be purchased and staffed by Supplier. In addition, Supplier commits to provide reasonable assistance to the overall promotion and marketing efforts for the NIGP Annual Forum, as directed by OMNIA Partners, Public Sector.
- vi. Design and publication of national and regional advertising in trade publications throughout the term of the Master Agreement
- vii. Ongoing marketing and promotion of the Master Agreement throughout its term (case studies, collateral pieces, presentations, promotions, etc.)
- viii. Dedicated OMNIA Partners, Public Sector internet web-based homepage on Supplier's website with:
 - OMNIA Partners, Public Sector standard logo;
 - Copy of original Request for Proposal;
 - Copy of Master Agreement and amendments between Principal Procurement Agency and Supplier;
 - Summary of Products and pricing;
 - Marketing Materials
 - Electronic link to OMNIA Partners, Public Sector's website including the online registration page;
 - A dedicated toll-free number and email address for OMNIA Partners, Public Sector

Lawson Products' Response:

With the full support, strategic vision, and enthusiasm of Lawson's Government Sales Managers, public sector contracting specialists, sales leaders, and executive leaders, our marketing program will be implemented quickly and with the full scope of public sector touchpoints in mind. This team will be led by Christina Nielsen, Director of Government Sales and Operations. Christina has spent 13 years in the industrial manufacturing and distribution industry, 10 years of which were spent leading the development and execution of customer engagement and demand generation programs. Lawson will leverage winning aspects of its successful implementation of the previous Region 4 ESC MRO Supplies and Related Services contract to create an engaging and exciting year-long launch in support of a new award.

Overall our marketing materials will be delivered to public sector customers and prospects via the following channels/platforms:

1. In person via our direct sales force of over 1,000 sales representatives and managers
2. Digitally on our website and through our direct marketing email program
3. Broad-based marketing using tactics like advertising and tradeshow activation with key national and regional procurement associations
4. Co-branded marketing in partnership with OMNIA Partners (including presence at OMNIA Partners' events and regional engagements)

Marketing communications in channels 1-3 above will be segmented according to the following audiences to ensure appropriate messaging and call-to-action:

- Public agencies piggybacking Lawson's existing Region 4 ESC contract
- Eligible public agencies that are current customers of Lawson, but are not leveraging our partnership with OMNIA Partners and the Region 4 ESC contract
- New public agencies not currently doing business with Lawson

Days 1-10:

- Host conference call with OMNIA Partners' development and marketing teams to discuss best practices and framework for marketing program
- Confirm existing registration at key national and regional tradeshows:
 - NIGP, NAEP, NPI
 - Other regional tradeshows where Lawson has strategic opportunities: e.g. state specific ASBO (association of school business officials) shows, APT (association for pupil transportation) shows, and other shows for public procurement officials
- Extend registration to other regional tradeshows with dates TBD (at the time of bid response)
 - OMNIA Partners regional meetings
 - Regional NIGP chapter meetings
- Release co-branded press release to trade and public sector procurement publications
- Engage Lawson's PR firm to identify opportunities for case studies with OMNIA Partners' participants continuing their relationship with Lawson and Region 4 ESC on the new award, emphasizing the value and efficiency of the cooperative model
- Host kick-off meeting to assign roles and responsibilities to the implementation team, including representatives from the following disciplines:
 - Sales
 - Sales Operations
 - Customer Service
 - Contracting
 - Legal
 - Accounting
 - Marketing (communications and digital)
 - PR
 - Sourcing
 - Pricing Operations

Days 11-45

- Update all existing printed marketing materials with new award details and identify new materials to be created; deploy to sales representatives and managers for use

- Update OMNIA Partners section on Lawson's intranet site to reflect new award details
- Update OMNIA Partners page on Lawson's public website to reflect new award details and digital versions of marketing materials (see current page by visiting: lawsonproducts.com/resources/omnia-partners.jsp)
- Schedule and socialize availability of customer training webinars for existing customers and prospective agencies considering a cooperative agreement
- Create framework for email program to all of Lawson's public sector email subscribers
- Identify case study participants and begin working accordingly with willing agencies
- Solidify PR and advertising opportunities with pre-vetted publications recommended by PR firm (e.g. editorial placements, op-eds, paid advertisements)
- Begin production of state and local government product marketing flyers, segmented by department/agency (e.g. Facilities maintenance, fleet and transit maintenance, etc.)
- Set goals for existing account growth and new account conversion to OMNIA Partners by sales district
- Regular implementation team meetings and updates on progress to OMNIA Partners team

Days 46-90

- Create reporting format for monthly district-level reporting, and mechanism for auto-generation and distribution to district sales managers
- Rollout email program, case studies, PR engagements and product marketing flyers
- Regular implementation team meetings and updates on progress to OMNIA Partners team

The knowledge and experience our entire sales organization, corporate partner departments, and executive leadership has gained over the course of Lawson's existing Region 4 ESC MRO contract will be an asset to another contract implementation, were we to be awarded the opportunity.

- C. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners, Public Sector. Include a list of current cooperative contracts (regional and national) Supplier holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

Lawson Products' Response:

A large part of Lawson's success in growing its public sector business an average of 15% year-over-year has been through utilizing a cooperative-centric selling strategy with state, local, and education customers. Via our mandatory state, local, and education sales education program, each of our field sales representatives and managers are trained on how to position and sell cooperative agreements. Through our field sales representatives' tens of thousands of non-contractual selling relationships with public sector agencies nationwide, we encourage their ability to grow and create longstanding relationships using cooperative contracts like the Region 4 ESC contract through OMNIA Partners. To aid in this effort, Government Sales Managers are also involved in the conversion of non-contractual customers to cooperative contract customers.

Lawson currently holds public sector cooperative contracts with the following organizations:

- OMNIA Partners - National
- TIPS (The Interlocal Purchasing System) - National
- BuyBoard - National
- PSA (Purchasing Solutions Alliance) - National
- SAVE (Strategic Alliance for Volume Expenditures) - Arizona
- COSTARS (Pennsylvania Department of General Services) – Pennsylvania
- CREC (Capital Region Education Council) – Connecticut

Lawson's go-to-market strategy for positioning cooperatives encourages OMNIA Partners as the primary choice. In fact, total sales for 2018 on the Region 4 ESC contract marketed by OMNIA Partners are 4x as much as our next largest cooperative agreement.

D. Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners, Public Sector and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners, Public Sector logo will require permission for reproduction, as well.

Lawson Products' Response:

Lawson gives permission to OMNIA Partners to use its official logo supplied to OMNIA Partners by Lawson for reproduction in marketing communications and promotions.

Lawson acknowledges that use of OMNIA Partners, Public Sector logo will require permission and agrees to seek permission before any use or reproduction.

E. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners, Public Sector. All sales materials are to use the OMNIA Partners, Public Sector logo. At a minimum, the Supplier's sales initiatives should communicate:

- i. Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- ii. Best government pricing
- iii. No cost to participate
- iv. Non-exclusive

Lawson Products' Response:

Lawson confirms our commitment to being proactive in our sales of goods and services to public agencies nationwide. Lawson's government sales and operations team is uniquely dedicated to public sector sales and includes government sales account managers across the U.S., contract specialists, business analysis, and inside sales personnel. This team will ensure that OMNIA Partners' leads are loaded into Lawson's customer management system and assignment to each of our 1,000 field sales representatives. Field sales representatives will then be held accountable to district level retention,

penetration, and conversion goals by their district sales manager and regional sales director. Over all of these efforts will be the support and commitment of Lawson's executive management.

Lawson also commits to the presence of the following information on all sales education and marketing materials: 1) That the Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency, 2) that our prices reflect best government pricing, 3) that there is no cost to participate, and 4) that the relationship is non-exclusive.

- F. Confirm Supplier will train its national sales force on the Master Agreement. At a minimum, sales training should include:
- i. Key features of Master Agreement
 - ii. Working knowledge of the solicitation process
 - iii. Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners, Public Sector
 - iv. Knowledge of benefits of the use of cooperative contracts

Lawson Products' Response:

Lawson assures Region 4 ESC and OMNIA Partners that our sales education program includes the following: 1) Key features of Master Agreement, 2) Working knowledge of the solicitation process, 3) Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners, Public Sector, 4) Knowledge of benefits of the use of cooperative contracts.

Additionally our field sales representatives are trained on how to position cooperative contracts and lead with OMNIA Partners.

For a full description of Lawson's 90-day plan to enable our sales and corporate teams to be successful marketing this contract as our primary go-to-market strategy for public sector business, please see Appendix D, Exhibit A, Section 3.3, Letter A.

- G. Provide the name, title, email and phone number for the person(s), who will be responsible for:
- i. Executive Support
 - ii. Marketing
 - iii. Sales
 - iv. Sales Support
 - v. Financial Reporting
 - vi. Accounts Payable
 - vii. Contracts

Lawson Products' Response:

Lawson is committed at every level of our organization to be responsive and effective partners for the OMNIA Partners cooperative agreement. Here are just some of the individuals that are directly responsible for prioritizing the importance of the OMNIA Partners cooperative agreement and proliferating its continued success:

Executive Support:

Michael DeCata
President and CEO
michael.decata@lawsonproducts.com
773-304-5203

Matt Brown
Senior Vice President, Sales
matt.brown@lawsonproducts.com
773-304-5216

Marketing:

Ilan Rodzynek
Sr. Director, Marketing and Product Management
ilan.rodzynek@lawsonproducts.com
773-304-5663

Jeannie Dentamaro
Marketing Manager
jeannie.dentamaro@lawsonproducts.com
773-304-5316

Sales:

Christina Nielsen
Director, Government Sales and Operations
christina.nielsen@lawsonproducts.com
773-304-5345

Ryan Mullally
Government Sales Manager
ryan.mullally@lawsonproducts.com
469-400-7400

Cainan Benoit
Government Sales Manager
cainan.benoit@lawsonproducts.com
337-581-8487

John Swierc
Government Sales Manager
john.swierc@lawsonproducts.com
615-490-2911

Sales Support:

Mike Guill
Manager, Sales Operations
mike.guill@lawsonproducts.com
773-304-5693

Howard Kalish
Sr. Manager, Sales Education
howard.kalish@lawsonproducts.com
773-304-5030

Financial Reporting:

Bernice "BJ" Najfus
Business Information Analyst
bernice.najfus@lawsonproducts.com
773-304-5071

Accounts Payable:

Doris Pape
Director, Accounting
doris.pape@lawsonproducts.com
773-304-5437

Contracts:

Lisa Castanon
Manager, Contracts and Compliance
Lisa.castanon@lawsonproducts.com
773-304-5438

Maria Cassin
Paralegal – Public Sector Contracts
Maria.cassin@lawsonproducts.com
773-304-5214

- H. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.

Lawson Products' Response:

Lawson's field sales representatives sets Lawson apart from our competition in the MRO industry. Not only do Lawson's 1,000 field sales representatives, district sales managers, and regional sales managers visit with their customers at maintenance locations on a daily basis, they also provide vendor managed inventory services and product usage training, including safety seminars, for all of Lawson's product lines. The primary role of the field sales organization is to be on site with end users of our products:

managing their inventory, helping them select products that meet their needs, placing orders, and putting orders away.

Being on site with end users allows Lawson's field sales representatives the opportunity to get to know their customers' operations firsthand. This includes understanding each customer's MRO product usage patterns so they can manage their inventory levels more closely, minimizing the overstocking and understocking challenges commonly associated with self-managed inventory. Because of the sheer number of field sales representatives, district sales managers, and regional managers Lawson has, we are able to service agencies of all sizes, regardless of geographic location. Vendor managed inventory service includes: taking inventory of existing items, recommending items and quantities for re-order, and returning to put the inventory away in its proper place. It's important to note that in Lawson's vendor managed inventory model orders are never placed without the buyer's prior knowledge and approval.

The following is a summary of the distribution of field sales representative, district sales managers and regional sales managers across the U.S. and Canada:

- 8 regional sales managers
- 76 district sales managers
- 1069 field sales representatives



These sales personnel are strategically and evenly distributed across North America in order to provide inventory management service and product and safety training to customers of all sizes regardless of geographic location.

Another critical component of our sales organization is the Government Sales Managers. Government Sales Managers are aligned to specific geographies. Their primary role is to secure partnerships and work to form contracts with public agencies. They then work with the field sales organization to roll out these contracts and create awareness of Lawson's value proposition amongst departments and end users. A roll out includes sales education specific to the contract including compliance rules, key terms and conditions of the contract, and where/how the contract can be used so ensure proper execution and usage. It also includes corresponding marketing materials. The magnitude of each rollout is different based on the size and scope of the contract; for details on how Lawson plans to roll out the OMNIA Partners cooperative agreement, please see section Appendix D, Exhibit A, Section 3.3, Letters A and B.

Matt Brown, the Senior Vice President of Sales, is the highest level executive responsible for the entire sales organization at Lawson. His contact information is:

Email: matt.brown@lawsonproducts.com

Phone: 773-304-5216

- I. Explain in detail how the sales teams will work with the OMNIA Partners, Public Sector team to implement, grow and service the national program.

Lawson Products' Response:

Should Lawson be an awardee of the Region 4 ESC contract and OMNIA Partners, Public Sector cooperative agreement, our implementation would begin with seeking feedback from OMNIA Partners' teams regarding our national implementation plan for both internal Lawson audiences and external public sector audiences. Our partnership and shared experience is ideally reflected in the final plan outlined in Appendix D, Exhibit A, Section 3.3, Letters A and B.

The Government Sales Managers, Director of Government Sales and Operations, and contracting team will be the primary points of contact for the OMNIA Partners, Public Sector sales teams. The Government Sales Managers are Lawson's front line with public sector procurement and are responsible for winning, growing and retaining public sector contracts. There are several ways the Government Sales Managers can engage with OMNIA Partners team:

- Sharing intel on shared pursuits with OMNIA Partners' sales team
- Co-calling on large procurement opportunities
- Giving OMNIA Partners team visibility to local information that impacts existing contracts
- Brainstorming promotions and opportunities for targeted sales programs (by segment, and/or by geography)

The Director of Government Sales and Operations proposes to be the primary point of contact for large scale or nation-wide programming in partnership with OMNIA Partners partner development, marketing, and training teams. It is the responsibility of the Director of Government Sales and Operations to ensure Lawson's entire sales force is aligned towards the mutual goals established by Lawson and OMNIA Partners. Desired outcomes resulting from this arrangement include:

- Consistent execution of programs and activities between OMNIA Partners team, Government Sales Managers, and Lawson's field sales management
- Creating training events
- Developing national sales growth programs and sales incentives
- Driving systemic adoption of sales resources and tools by the Lawson sales organization (e.g. marketing materials, OMNIA Connect, etc.)
- Holding Lawson's sales teams accountable to meeting sales targets and goals mutually agreed to by Lawson and OMNIA Partners

- I. Explain in detail how Supplier will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.

Lawson Products' Response:

Lawson is fortunate to have had experience implementing and managing the existing Region 4 ESC MRO contract and corresponding cooperative agreement and will bring to bear the knowledge and learnings from that contract term. In Lawson's second year of holding this contract it grew 78% vs. the first year, and grew again by 36% the next year. In the most recent fiscal year, Lawson grew contract sales by 12% YOY, outpacing general Company growth two-fold and seating the Region 4 ESC contract as Lawson's largest public sector contract.

We are confident these results will continue as a result of continuous oversight and attention to be sure Lawson's field sales organization and government sales team is focused on growing sales on the agreement. We foresee this coming to life in several ways including but not limited to:

- Partnering with OMNIA Partners partner development and training team to host annual regional meetings where district sales managers can engage first hand with OMNIA Partners education content, corporate personnel, and local sales managers
- Partnering with OMNIA Partners team to rollout new sales tools and resources as they become available
- Involving OMNIA Partners in the creation of Lawson's in-house public sector sales training program
- Creating exciting and rewarding marketing promotions and pricing promotions based on geography, segment, or seasonality
- Monthly reporting on regional performance on growing and retaining business on the contract

Lawson's standard operating procedures require accounts be set up on the same day they are requested. This will ensure orders, especially by new customers, are processed and fulfilled promptly.

Lawson's team of contract specialists is dedicated exclusively to servicing public sector contract business and prioritizes contractual administration and topics concerning Region 4 ESC contract adoptions and piggybacks above other needs or requests in the general workflow.

- J. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.

Lawson Products' Response:

In the 2018 fiscal year Lawson's total public sector sales equaled \$31,434,286

Agency	2018 Sales	Contact Name
GWINNETT COUNTY PUBLIC, GA	\$ 226,406.14	April Denna
HOWARD COUNTY, MD	\$ 171,787.39	Dean Hof

SUFFOLK COUNTY, NY	\$ 168,066.75	Robert Pierro
PALM BEACH COUNTY, FL	\$ 142,077.92	Kathleen Scarlett
VICTORIA ISD, TX	\$ 126,363.72	Tisha Wallace
LOS ANGELES WORLD AIRPORTS, CA	\$ 123,230.14	Kevin Harris
CALTRANS, CA	\$ 104,300.58	Jason Cook
MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, MA	\$ 98,010.81	Kevin Frechette
NATIONAL CAPITAL PARK AND PLANNING COMMISSION, MD	\$ 68,776.14	Dave Sexton
CAPITAL DISTRICT TRANSPORTATION AUTHORITY, NY	\$ 64,229.70	Stacy Sansky
MONTGOMERY COUNTY, MD	\$ 63,547.70	Cheri Branson
CITY OF ST. PAUL, MN	\$ 61,585.52	Fleet Services
CITY OF TACOMA, WA	\$ 61,171.65	Elizabeth Pauli
COLLIER COUNTY, FL	\$ 59,052.93	Opal Vann
CITY OF LAKEWOOD, CO	\$ 54,000.54	Mary O'Halloran
SEMINOLE COUNTY, FL	\$ 51,840.62	Michael Guild

K. Describe Supplier's information systems capabilities and limitations regarding order management through receipt of payment, including description of multiple platforms that may be used for any of these functions.

Lawson Products' Response:

Lawson's information technology systems are reliable, interconnected and give employees and customers access to robust data analytics on a secure, yet accessible platform.

Our central enterprise resource planning system (ERP) is SAP. SAP houses Lawson's critical customer, product, pricing and shipping data. Our SAP system not only houses all of Lawson's critical data, but allows us to generate pre-built and custom reports that can tell our employees or customers virtually anything about their account or product usage.

The workflow and customer experience of initiating an order through payment is as follows:

- A field sales representative or customer initiates the creation of an account
- The account is created in SAP with all pertinent terms and conditions included (e.g. tax exempt, price file reflecting contract pricing, billing address, etc.). During account creation an account's affiliation with OMNIA Partners cooperative agreement is

identified for tracking and reporting purposes to share with OMNIA Partners and to allow for quick and accurate calculation of the funding fee

- Once the account is created a quote can be generated in SAP by Lawson's field sales representatives or customer service team on an easy-to-read form for the customer to approve or deny. If a cart is built by the customer on Lawson's e-commerce website or on the customers designated e-procurement platform the customer will see the total amount to be charged (reflecting contract pricing) before they process the order
- After an order is placed a confirmation email is sent to the customer with the contents of the order and pricing
- The order is received and SAP and routes the order to the nearest distribution center for fulfillment
- The distribution center employees pick and process the order using guidance from SAP on what size box should be used based on the dimensions of the products and recommended packing materials that will accompany the products. Product and packaging dimensional data allows Lawson to minimize the number of shipments the customer receives, cuts down on packaging waste, and minimizes freight charges
- The shipment leaves the distribution center on the same day the order was received
- All shipments on stocked items are received within 1-2 business days from any one of our North American distribution centers
- Upon shipments for FOB customers, SAP sends an invoice to the billing address and contact on file for the account
- When the box is opened and products are unpacked the customer sees a packing slip with the contents of the box and notes any additional items that are shipping separately and arriving in different boxes
- The invoice can be paid via credit card, ACH/EFT or check according to the contracted payment terms
- Once payment is received the balance on the account updates to \$0 in SAP and the order process can begin again
- All sales attributed to OMNIA Partners' participants are stored in SAP for tracking and reporting purposes to share with OMNIA and to allow for quick and accurate calculation of the funding fee

As briefly referenced in the description above, there are several ways orders can be placed, all of which get processed through Lawson's central SAP system:

- Field sales representative – The customer can place their order with the field sales representative directly and the field sales representative can enter the products and quantities desired to generate a quotation and request a P.O. or credit card number from the customer before moving forward with the order
- Customer service team – The customer can call Lawson's customer service team to place an order. OMNIA Partners' participants are supported by a highly-trained and empowered Customer Service Team. Each customer service representative is equipped for one-touch resolution, resulting in limited to no hold times or call transfers. Because they use the centralized SAP system to place orders, they have full access to OMNIA Partners' participant's order history, order status, delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing information, and contract compliance requirements.

Because e-commerce is a requirement of today's consumer and business customers we have a subset of our Customer Service Team that specializes in web support

- E-commerce website – Lawson's e-commerce website integrates seamlessly with the SAP platform and provides a shopping experience commensurate with best-in-class business-to-consumer websites. It offers access to the entire catalog of products with the ability to display contract-specific pricing and suppress items based on their exclusion from a contract offering. Since we are proposing a full catalog contract for the OMNIA Partners cooperative agreement this feature will not be necessary. Customers with a web account can see their full order history, track orders and view detailed product and specification information including MSDS/SDS sheets. Our website also enables workflow management which allows customers to define multiple account users and assign them roles with allowable actions they can and cannot take in the ordering and approval process. Finally, we employ third party processing of all procurement card information to protect the security of our customer's information
- E-procurement - Lawson' standards-based e-procurement solutions allow OMNIA Partners' participants to easily connect to third party e-procurement systems including, but not limited to: Ariba, Birch Street Systems, BuyEfficient, Direct EDI, eVA, Exostar, Infor / Datastream, Oracle Exchange, Peoplesoft, SAP, SciQuest, SiteStuff, Easy Purchase, etc. Our e-procurement specialists provide OMNIA Partners the most efficient and effective system for their e-business integration requirements

- L. Provide the Contract Sales (as defined in Section 10 of the OMNIA Partners, Public Sector Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement ("Guaranteed Contract Sales").

Lawson Products' Response:

\$ 8,337,939 .00 in year one

\$ 9,421,872 .00 in year two

\$ 10,458,277 .00 in year three

To the extent Supplier guarantees minimum Contract Sales, the administration fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

Lawson Products' Response:

Lawson agrees to pay an administrative fee of 3% of the greater of the Contract Sales under the Master Agreement and Guaranteed Contract Sales under this Request for Proposal.

- M. Even though it is anticipated many Public Agencies will be able to utilize the Master Agreement without further formal solicitation, there may be circumstances where Public Agencies will issue their own solicitations. The following options are available when responding to a solicitation for Products covered under the Master Agreement.

i. Respond with Master Agreement pricing (Contract Sales reported to OMNIA Partners, Public Sector).

ii. If competitive conditions require pricing lower than the standard Master Agreement not-to-exceed pricing, Supplier may respond with lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales are reported as Contract Sales to OMNIA Partners, Public Sector under the Master Agreement.

iii. Respond with pricing higher than Master Agreement only in the unlikely event that the Public Agency refuses to utilize Master Agreement (Contract Sales are not reported to OMNIA Partners, Public Sector).

iv. If alternative or multiple proposals are permitted, respond with pricing higher than Master Agreement, and include Master Agreement as the alternate or additional proposal.

Detail Supplier's strategies under these options when responding to a solicitation.

Lawson Products' Response:

It has been and will continue to be Lawson's preference to promote usage of the Master Agreement and the competitive pricing and discounts associated with it. Lawson will report these as Contract Sales to OMNIA Partners, Public Sector.

If this is not acceptable to the agency in light of a competitive situation, Lawson will surgically lower pricing on select items to meet the competitive demands of the situation. Lawson will report these as Contract Sales to OMNIA Partners, Public Sector.

If an agency refuses to piggyback the Master Agreement their pricing will reflect the sales volume associated with their individual agency's projected or historical usage. Lawson will not report these as Contract Sales to OMNIA Partners, Public Sector.

While to date Lawson has not found itself in a situation where multiple proposals are permitted, we are open to proceeding with a multiple proposal approach as described in situation four above. However, if an agency appreciated Lawson's service-centric value proposition, quality products, and training capabilities but needed better pricing than we originally provided by bidding directly we would propose they adopt the OMNIA Partners cooperative agreement as an alternative. Should they decide to adopt the Master Agreement instead, Lawson will report these as contract sales to OMNIA Partners, Public Sector.

- b. The successful Offeror will be required to sign Appendix D, Exhibit B, OMNIA Partners Administration Agreement prior to Contract award. Offerors should have any reviews required to sign the document prior to submitting a response. Offeror's response should include any proposed

exceptions to OMNIA Partners Administration Agreement on Appendix B, Terms and Conditions Acceptance Form.

Lawson Products' Response:

Please reference Lawson Product's Signed Response in Appendix D, Exhibit B, OMNIA Partners Administration Agreement.

- c. Include completed Appendix D, Exhibits F. Federal Funds Certifications and G. New Jersey Business Compliance.

Lawson Products' Response:

Please reference Lawson Product's Signed Response in Appendix D, Exhibit F – Federal Funds Certificate and Exhibit G – New Jersey Business Compliance.

- d. Describe how Offeror responds to emergency orders.

Lawson Products' Response:

With Lawson's 1,000 field sales representatives, district sales managers, and regional managers, we are able to support customers' needs during times of emergency in-person (depending on the nature of the emergency) combined with our fulfillment infrastructure.

After-hours customer concerns and care are available through a dedicated OMNIA Partners Hotline Representative who will collect caller information, take note of the caller's needs, and get the caller in contact with the correct on call field sales representative for the location of that account. Our customer service team will record and review an electronic history of each contact and keep it available for the agency to reference to ensure a proper crisis response has been made.

Lawson's distribution centers are also stocked with our full catalog of contracted products and takes pride in shipping 99% of all products complete the same day the order is received and can ship overnight if needed.

For participants within driving distance from one of our distribution centers we can arrange for will call pick-up by the customer or a hand-carried delivery by the field sales representative or delivery service, depending on the nature of the emergency.

- e. Describe Offeror's customer service/problem resolution process. Include hours of operation, number of services, etc.

Lawson Products' Response:

Lawson believes customer service is critical to conducting a mutually beneficial business partnership to meet the needs of our valued customers. Lawson is poised to provide Region 4 ESC contract users with three different support levels depending on the nature of each participant's need:

1. Customer Service Team
2. Technical and Engineering Support Team
3. Government Customer Support Team

Customer Service Team

Participants will be supported by a highly-trained and empowered Customer Service Team. Each customer service representative is equipped for one-touch resolution, resulting in limited to no hold times or call transfers for Region 4 ESC contract users. They also have full access to the participant's order history, order status, delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing information, and contract compliance requirements. Because e-commerce is a requirement of today's consumer and business customers we have a subset of our Customer Service Team that specializes in web support.

Lawson's Customer Service Team is available during the following times to Region 4 ESC contract users: 7:00 AM to 7:00 PM, CST; Monday-Friday at 1-866-Lawson-4U (866-529-7664) or via email (DedicatedCustomer.Support@lawsonproducts.com) and fax (312-267-1684).

Technical and Engineering Support Team

Lawson's Technical and Engineering Support Team is available to answer any product application or usage questions. They can also address safety requirements and concerns. Consider them the ultimate MRO product experts when enhanced technical experience and knowledge is needed.

Lawson's Technical and Engineering Support Team is available during the following times to Region 4 ESC contract users: 7:00 AM to 7:00 PM, CST; Monday-Friday at 1-866-Lawson-4U (866-529-7664) or via email (Engineering.Department@lawsonproducts.com) and fax (312-962-4946).

Government Customer Support Team

Government Customer Support Team is available to help answer specialized contract and compliance questions. They are available to participants to ensure the requirements of the contract are met by both Lawson and Region 4 ESC contract users.

Lawson's Government Customer Support Team is available during the following times to Region 4 ESC contract users: 6:00 AM to 5:30 PM, CST; Monday-Friday at 1-800-890-8198 or via email (govsales@lawsonproducts.com) and fax (312-267-1734).

Customer Service Team Metrics

Overall service level: The Lawson Customer Service Team consistently meets the service level goal of answering phone calls in less than 45 seconds 90.32% of the time.

Four metrics/pillars: Each Customer Service Representative (CSR) is accountable for shaping the overall customer experience and maintaining their performance metrics.

- Daily Ready/Not Ready Report (Timeliness Metric) – YTD average 94%
 - Measures each CSR is available to answer the phones for 6.5 hours a day
 - Lists the number of calls each CSR takes on a daily basis

- Gauges how much “offline” time a CSR spends
- Login/Logout Report (Timeliness Metric) – YTD average 98%
 - Displays the login and logout times for each CSR
 - Attendance is key to make sure each phone call that is handled in a timely manner
- Transaction Audits (Accuracy Metric) – YTD average 91%
 - Each CSR has 8 transactions audited on a weekly basis and the goal is to score 75% or above on first-time resolution
 - Producing error free work is our purpose with weekly transactional audits
- Call Coaching & Development (Quality Metric) – YTD average 90%
 - Each CSR has 1 call monitored on a weekly basis and the goal is to score 90% or above
 - Scorecard has 20 marks they have to hit during the call
 - Measures the greeting, solution, soft skills, and ending during a call

f. Describe Offeror’s invoicing process.

Lawson Products’ Response:

Lawson’s information technology systems are reliable, interconnected and give employees and customers access to robust data analytics on a secure, yet accessible platform.

Our central enterprise resource planning system (ERP) is SAP. SAP houses Lawson’s critical customer, product, pricing and shipping data. As it is our centralized data warehouse, SAP is also responsible for generating invoices and managing the workflow process associated with invoicing and payment.

The workflow and customer experience of initiating an order through payment is as follows:

- A field sales representative or customer initiates the creation of an account
- The account is created in SAP with all pertinent terms and conditions included (e.g. tax exempt, price file reflecting contract pricing, billing address, etc.). During account creation an account’s affiliation with OMNIA Partners cooperative agreement is identified for tracking and reporting purposes to share with OMNIA Partners and to allow for quick and accurate calculation of the funding fee
- Once the account is created a quote can be generated in SAP by Lawson’s field sales representatives or by Lawson’s customer service team on an easy-to-read form for the customer to approve or deny. If a cart is built by the customer on Lawson’s e-commerce website or on the customers designated e-procurement platform the customer will see the total amount to be charged (reflecting contract pricing) before they process the order
- After an order is placed a confirmation email is sent to the customer with the contents of the order and pricing
- The order is received and SAP routes the order to the nearest distribution center for fulfillment
- The distribution center employees pick and process the order using guidance from SAP on what size box should be used based on the dimensions of the products and recommended packing materials that will accompany the products. Product and

packaging dimensional data allows Lawson to minimize the number of shipments which the customer receives, cuts down on packaging waste, and minimizes freight costs incurred by Lawson

- The shipment leaves the distribution center on the same day the order was received
- All shipments on stocked items are received within 1-2 business days from any one of our North American distribution centers
- Upon shipments for FOB customers, SAP sends an invoice to the billing address and contact on file for the account
- When the box is opened and products are unpacked the customer sees a packing slip with the contents of the box and notes any additional items that are shipping separately and arriving in different boxes
- The invoice can be paid via credit card, ACH/EFT or check according to the contracted payment terms
- Once payment is received the balance on the account updates to \$0 in SAP and the order process can begin again
- All sales attributed to OMNIA Partners' participants are stored in SAP for tracking and reporting purposes to share with OMNIA Partners and to allow for quick and accurate calculation of the funding fee
- It is Lawson's policy to invoice orders within 24-48 hours of the complete shipment of the order. In the event of an incomplete order shipment, Lawson offers a combined invoice solution that consolidates invoices. In these cases, an invoice will be generated when the final items of the order ship within ten days after the order is processed. In instances where a backorder takes longer than the holding period, a unique invoice will be generated for that backorder. Invoices can be mailed or sent electronically via email to any and all OMNIA Partners' participant's locations. Payments can be remitted electronically and the customer can benefit with a 1% discount if payment is made within 10 days; otherwise, net due in 30 days

- g. Describe Offeror's contract implementation/customer transition plan. As an example, attach a high-level project schedule, with milestones from each implementation phase. Include training that customer will receive as part of the transition.

Lawson Products' Response:

There are two aspects to implementing an award and transitioning customers to the new agreement:

1. Preparing internal Lawson teams
2. Communicating to customers

Lawson's team of Government Sales Managers, public sector contracting specialists, sales leaders, and executive leaders will be the primary individuals responsible for setting the go-to-market strategy and ensuring its consistent and continuous execution.

Below is an example of a 90-day plan describing the key milestones and activities to prepare Lawson's sales organization and internal teams to implement a new contract.

Days 1-10:**Key milestones:**

1. Create awareness within Lawson of award and how it effects each departments operating procedures
2. Refresh sales organization with training on Region 4 ESC contract / OMNIA Partners cooperative agreement

Key activities:

- Work with OMNIA Partner development team and sales managers to collaborate on implementation strategy for the contract overall and separately by SLED segments, including communication plan and training best practices
- Announcement of award and describing key implementation tactics to follow from executive leadership, including CEO, Mike DeCata and Senior Vice President of Sales, Matt Brown, using inter-company communications platforms and media
- Webinars and lunch-and-learns to deliver targeted information specific to each department (e.g. field sales, sales operations, customer service, marketing, etc.) regarding their role in supporting the Region 4 ESC contract and OMNIA's public agency members
- Update the Region 4 ESC / OMNIA Partners page on Lawson's intranet with new contract documentation and revised marketing materials
- Assign regional sales managers, district sales managers and field sales representatives to mandatory digital curriculum in Lawson University, Lawson's interactive training and education platform. State and local sales education curriculum includes:
 - Selling the lead agency and cooperative procurement model
 - Compliance to contract terms and conditions
 - Understanding the public procurement process
 - Positioning Lawson in public sector accounts

Days 11-45:**Key milestones:**

1. Prescribe existing and new agency transition targets to field sales representatives for follow-up
2. Deploy Government Sales Managers to help create agency awareness of new contract

Key activities:

- Load latest OMNIA Partners' participant list into customer management system for assignment to individual field sales representatives
- Send district managers and field sales representatives supporting marketing tools, including flyers and brochures that specifically promote the Region 4 ESC contract with Lawson
- Based on strategy, establish OMNIA Partners-hosted training opportunities for Lawson's regional sales managers and district sales managers
- Deploy government sales account managers to each district to assist district managers and field sales representatives with opening new accounts and transitioning existing eligible public sector accounts to the Region 4 ESC contract
- Check in regularly with all Lawson departments impacted by the new contract (e.g. customer service, accounting, etc.) for feedback on progress and challenges

Days 46-90:

Key milestones:

1. Measure conversion success of agencies to the new contract
2. Continue transition and manage performance to targets distributed to field sales representatives

Key activities:

- Government sales account managers host district workshops in each U.S. sales district to deliver contract details, customer-level implementation plans, and reinforce previously delivered digital education topics on how to sell cooperative agreements (with OMNIA Partners' participation depending on schedule/availability)
- Monitor and measure conversion of new accounts to the Region 4 ESC agreement
- Follow-up with district managers and field sales representatives for feedback on their experiences and progress proliferating the new contract
- Continue to check in with all Lawson departments impacted by the new contract to ensure seamless experiences for all Region 4 ESC contract users and OMNIA Partners' participants
- Follow-up with OMNIA Partners' development and sales teams to gauge success and determine next steps

Below is an example of a 90-day plan describing the key milestones and activities to communicate to customers about the new contract and enable them to use it.

Days 1-10:

Key milestones:

1. Align implementation/customer transition plan with Region 4 ESC / OMNIA Partners
2. Confirm tradeshow/expo opportunities locally in Region 4 ESC and nationally to market the cooperative agreement
3. Host meeting with Lawson's internal teams to confirm tactics, timelines and officially kick off the implementation project

Key activities:

- Host conference call with OMNIA Partners' development and marketing teams to discuss best practices and framework for marketing program
- Confirm existing registration at key national and regional tradeshows
- Extend registration to other regional tradeshows with dates TBD (at the time of bid response)
- Release co-branded press release to trade and public sector procurement publications
- Engage Lawson's PR firm to identify opportunities for case studies with OMNIA Partners' participants continuing their relationship with Lawson and Region 4 ESC on the new award, emphasizing the value and efficiency of the cooperative model
- Host kick-off meeting to assign roles and responsibilities to the implementation team

Days 11-45

Key milestones:

1. Update and deploy all customer-facing printed and digital marketing materials
2. Build and socialize availability of customer training sessions via webinar
3. Establish contract implementation customer awareness and sales goals

Key activities:

- Update all existing printed marketing materials with new award details and identify new materials to be created; deploy to field sales representatives and managers for use
- Update OMNIA Partners section on Lawson's intranet site to reflect new award details
- Update OMNIA Partners page on Lawson's public website to reflect new award details and digital versions of marketing materials (see current page by visiting: lawsonproducts.com/resources/omnia-partners.jsp)
- Schedule and socialize availability of customer training webinars for existing customers and prospective agencies considering a cooperative agreement
- Create framework for email program to all of Lawson's public sector email subscribers
- Identify case study participants and begin working accordingly with willing agencies
- Solidify PR and advertising opportunities with pre-vetted publications recommended by PR firm (e.g. editorial placements, op-eds, paid advertisements)
- Begin production of state and local government product marketing flyers, segmented by department/agency (e.g. Facilities maintenance, fleet and transit maintenance, etc.)
- Set goals for existing account growth and new account conversion to OMNIA Partners by sales district
- Regular implementation team meetings and updates on progress to OMNIA Partners' team

Days 46-90

Key milestones:

1. Establish reporting format to track results long-term
2. Rollout remaining marketing materials

Key activities:

- Create reporting format for monthly district-level reporting, and mechanism for auto-generation and distribution to district sales managers
- Rollout email program, case studies, PR engagements and product marketing flyers
- Regular implementation team meetings and updates on progress to OMNIA Partners' team

The knowledge and experience our entire sales organization, corporate partner departments, and executive leadership has gained over the course of Lawson's existing Region 4 ESC MRO contract will be an asset to another contract implementation, were we to be awarded the opportunity.

h. Describe the financial condition of Offeror.

Lawson Products' Response:

Lawson's financial position is strong and has shown a trend of continuous improvement for several years. Our historical net sales are as follows:

2015	\$257,834,000.00
2016	\$276,573,000.00 (increase of 7.3% vs. 2015)
2017	\$305,907,000.00 (increase of 10.6% vs. 2016)
2018	\$349,637,000.00 (increase of 14.3% vs. 2017)

Additionally, adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) is considered to be the best measure of the profitability of any business and Lawson's has continuously improved, increasing from 6.2% at the end of 2015 to 10.9% through Q3 2019.

Lawson actively follows corporate governance practices that are consistent with best practices and fully comply with the requirements of the Sarbanes-Oxley Act of 2002, public procurement standards and The United States Securities Exchange Commission (SEC). Additional standards require that our Board of Directors and Audit Committee Charter oversee the company with a forward-looking governance structure implemented by a diverse and independent board focused on serving the interests of all our stockholders and shareholders. Concerns or questions about accounting, internal accounting controls, financial reporting, auditing matters or any illegal or unethical situations can be reported anonymously to the Lawson Ethics Helpline 24 hours a day, 7 days a week at 1-800-425-8109 or online at www.lawsonproducts.alertline.com.

Lawson holds Dun & Bradstreet number 00-543-8890. Below is Lawson's Dunn & Bradstreet report segmented. Please see electronic file for the full report.

LAWSON PRODUCTS, INC.

Trade Names: No trade names for this company.

ACTIVE HEADQUARTERS

D-U-N-S Number:

00-543-8890

Company:

LAWSON PRODUCTS, INC.

D&B Address

Address:

8770 W BRYN MAWR AVE

CHICAGO, IL, US - 60631

Location Type:

HEADQUARTERS

HEADQ

Phone:

773-304-5050

Fax:

Web:

<http://www.lawsonproducts.com/>

800.368.3636

Added to F

06/12/2019

Endorsement:

debbie.kuntz@la

Last View |

Company Summary

SCORE BAR

PAYDEX®

70

Paying 15 days past due

Commercial Credit Score Percentile

28
Moderate to High Risk of severe payment delinquency.

Financial Stress Score National Percentile

63
Moderate Risk of severe financial stress.

D&B Viability Rating



[View More Details](#)

Bankruptcy Found

N

D&B Rating

5A2
5A indicates 50 million and over, Credit appraisal of 2 is good

&B VIABILITY RATING SUMMARY

Viability Score

Viability Score :1
Low Risk:1 ; High Risk:9

Portfolio Comparison

Portfolio Comparison :3
Low Risk:1 ; High Risk:9

Data Depth Indicator

Data Depth Indicator :A
Predictive:A ; Descriptive:G

Company Profile:

A

Financial Data

Available

Trade Payments

Available (3+Trade)

Company Size

Large

Years in Business

Established

- i. Contractors that have retail stores shall have appropriate procedures in place to ensure contract pricing on all product lines to member agencies. Describe how agencies choosing to pick up orders will receive the correct contract pricing. Indicate how volume will be tracked and reported to OMNIA Partners.

Lawson Products' Response:

Lawson's service delivery model is based on vendor managed inventory meaning our field sales representatives ensure products are on hand at the customer's location when needed so the need for off-site visits to retail locations is greatly reduced. Therefore, we do not have retail stores in our network. All pricing is housed centrally in our enterprise resource planning (ERP) system SAP and is administered consistently with every order whether placed through the field sales representative, customer service, website, or using an e-procurement platform. Reporting is extracted using the central data in SAP and accounts that qualify as Region 4 ESC contract/OMNIA Partners' cooperative agreement users are indicated as such at the time of account set up, assuring that all sales are captured and reported accurately to OMNIA Partners, Public Sector.

- j. Payment terms/options. Include standard payment terms, early payment discounts and forms of payment accepted. Also state the Convenience Fee, if allowable, per the Visa Operating Regulations.

Lawson Products' Response:

For customers with established credit, Lawson's payment terms are 1% discount if paid within 10 days, and net 30 for the full amount owed. If the customer pays within 10 days via check or ACH/EFT Lawson offers a 1% discount on goods only, not including tax if applicable. Payments by credit card are not eligible for the 1% discount on goods. Specialized payment terms, if needed, will be decided on a case-by-case basis.

Forms of payment accepted are:

- Check
- ACH/EFT
- Visa/MC/Amex/Discover

Lawson does not assess a convenience fee if the customer chooses to pay with a credit card.

TAB 4 – Qualification and Experience

c) Qualification and Experience

- a. Provide a brief history of the Offeror, including year it was established and corporate office location.

Lawson Products' Response:

Sidney L. Port founded Lawson in 1952 with a simple goal—to provide for his family. He accomplished that and much more.

After early careers as a publisher and an attorney, Mr. Port joined his father-in-law's company, Lion Auto Parts. During his time there he recognized an opportunity and confirmed its potential by first selling fasteners out of the trunk of his car. That experience convinced him that no one else was effectively supplying businesses with small, consumable parts necessary to keeping their operations running.

At the age of 40, with a \$25,000 loan, Mr. Port opened Lawson. For those who knew Mr. Port they'd say, "his word was his bond," and customers and suppliers quickly recognized his integrity. That, combined with Mr. Port's knack for finding the right people, helped continue the Company's growth.

Lawson went public in 1970 (currently traded on the NASDAQ – LAWS), but Mr. Port retained a very active role until his death in 2007. When asked about founding his Company, Mr. Port often replied that he simply wanted to create an organization that offered employees a way to make a good living and support their families. As an entrepreneur himself, Mr. Port encouraged that spirit by offering employee benefits such as profit sharing, which was unusual at the time.

Mr. Port named Lawson after Victor Lawson, owner of the Chicago Daily News and a philanthropist whom he admired. As the Company's success grew, so did Mr. Port's generosity and philanthropic efforts in the arts, medical research and education.

Today, Lawson in North America...

- Lawson's corporate location is located in Chicago – 8770 W, Bryn Mawr, Suite 900, Chicago, Illinois 60631 with six distribution centers located throughout North America.

- b. Describe Offeror's reputation in the marketplace.

Lawson Products' Response:

Lawson has been in the MRO business for over 67 years, during which time the company has grown from a 'car-trunk' sales operation to servicing 300,000 industrial, commercial, institutional and government customers in all 50 states, Canada, Mexico, and the Caribbean, and exporting products that support U.S. military efforts overseas, in the Middle East, Asia and Europe .

Lawson currently holds public sector cooperative contracts with the following organizations:

- OMNIA Partners - National
- TIPS (The Interlocal Purchasing System) - National
- BuyBoard - National

- PSA (Purchasing Solutions Alliance) - National
- SAVE (Strategic Alliance for Volume Expenditures) - Arizona
- COSTARS (Pennsylvania Department of General Services) – Pennsylvania
- CREC (Capital Region Education Council) – Connecticut
- Kinetic – Canadian GPO

Lawson's extensive experience in developing strategic marketing decisions supporting other national organizations and contracts in the Government market has seen 364% growth in the last two years. These include our Federal GSA contract and DOD contract, our many State and local government contracts, Lawson's additional Cooperative Contracts around the USA and Canada (as listed above), the Canadian government customers at the Provincial level, Federal level, Crown level, and special programs Lawson has in place with the Defense Logistics Agency (DLA) in support of our troops here at home and overseas. Lawson is experienced in each marketplace, poised to retain and driven to exceed its customer base by delivering exceptional Vendor Managed systems sensitive to customer needs.

c. Describe Offeror's reputation of products and services in the marketplace

Lawson Products' Response:

In the 67 year history, Lawson delivers a full range of consumable MRO products coupled with on-site inventory management services that help fleet and facility maintenance personnel keep their operations up and running without interruption. Lawson's proven track record of business credibility, reputation and decade-long international commerce experiences with key suppliers is an important strength. Our philosophy is to provide *"the right part, in the right place, at the right time"*. Service and cost effectiveness is one of our primary considerations.

Following the principles of 5S methodology (a workplace organization method) approximately 1,000 Lawson sales representatives partner with maintenance and repair personnel to maximize their operational effectiveness and efficiency. Our ultimate goal is to develop a fully integrated maintenance supply and inventory management partnership with OMNIA Partners and participating state, local and education entities to provide quality products and vendor-managed inventory services for consumable maintenance and repair products across the U.S. and Canada.

We work at increasing customer productivity in several ways including:

- Reduce the amount of time searching for / purchasing parts
- Avoid emergency off-site trips for a part by insuring adequate inventory is available at all times
- Assign a knowledgeable Sales Professional who will inventory, review, and order for those areas where authorized the responsibility

Lawson's demand-based planning is a forecasted system that has the ability to use up to 26 different algorithms to generate a raw forecast based on historical data, seeing this would be new business to Lawson and not part of our current history, we would control demand planning through communication/ forecasting data provided by your location and the field sales representative. After 60 days of historical demand from the new account the system will detect sales trend increase and

automatically start to increase the raw forecast, at the same time the communication with your locations/field sales representative and the government team will continue to identify the items in demand and future forecast needs. We do have the flexibility to adjust or hard key safety stock levels to protect or control inventory levels, we have found in the past that a combination of forecast and safety stock level adjustments best support the customer needs.

Lawson, a value-add distributor can demonstrate how we impact a customer's total cost of ownership by following this four-step process:

1. Identify value-added services
2. Determine the total cost of ownership
3. Determine the impact on the customer's bottom line
4. Report the results

Here are some ways we manage these four steps:

- Revenue Focused: Lawson helps customers get back on-line quicker. Reduce turnaround time. Provide efficiencies in output. Provide new products to each customer market
- Asset Focused: Lawson provides system optimization. Overstock reduction. Obsolete inventory removal. Re-allocation of space
- Process focused: Lawson provides Vendor Managed Inventory (VMI) options. Self-service inventory monitoring systems. EDI & EFT efficiencies
- Expenditure Focused: Lawson offers integrated purchasing. Price protection. Product substitution options.
- Service Focused: Lawson offers 24/7 service. Technical and Product support. Seminar & Training options for all our customers is the form of Fastener Safety Seminar, Cutting Tool Safety Seminar, Pneumatic Safety Seminar, Electrical Safety Seminar, Hydraulic Safety Seminar, and Unique Customer Requests for any seminar or training your facilities would need
- Customer Focused: Lawson offers additional cost savings opportunities in areas of Safety cost reduction. Environmental cost reduction, and equipment cost reduction / exchanges

Lawson's demand management for Maintenance, Repair and Operations products strives to manage all the activities associated with discovering the customer location needs, planning products or services for those locations and then fulfilling the customers 'demand'. It is an integrative set of processes across, not just the enterprise, but the trade partner network and ensures that we truly understand the market; we know who the OMNIA Partners' participants are and what draws them to doing business with us. It also ensures that they are happy with their product assortment, our product offering and our service. Our reputation for merging customer needs through analytics with plain old customer service and inventory management, Lawson serves a niche in the marketplace that drives price, distribution, product awareness and fulfilling unmet needs with each customer.

d. Describe the experience and qualification of key employees.

Lawson Products' Response:

Key members of Lawson's public sector sales and operations team will lead the team responsible for the successful execution of the plan above. They are:

Christina Nielsen***Director, Government Sales and Operations***

Christina has spent 13 years in the industrial manufacturing and distribution industry, 10 years of which were spent leading the development and execution of customer engagement and demand generation programs. Under Christina's leadership of public sector sales at Lawson, sales to public sector customers have grown an average of 15% year-over-year. Sales attributed specifically to OMNIA Partners cooperative agreement resulted in 12% growth in 2018 vs. 2017. Christina will be responsible for both the 90-day go-to-market strategy outlined here in Appendix D, Exhibit A, Section 3.3, Letter A and the 90-day implementation and marketing program outlined in Appendix D, Exhibit A, Section 3.3, Letter B. christina.nielsen@lawsonproducts.com; 773-304-5345

Lisa Castanon***Manager, Contracts and Compliance***

Lisa brings 28 years of experience in the MRO industry with the last 11 years of her career focused exclusively on the public sector. Lisa and her team manage the bid response process, ensure contract compliance, and manage implementation programs for awarded contracts, including Lawson's existing Region 4 ESC MRO contract. In 2016, she received her Six Sigma Black Belt Certification which reflects in the way she manages projects and solves problems. The combination of this experience and credentials highly qualifies Lisa to be the project leader for the 90-day plan outlined here. Lisa.castanon@lawsonproducts.com; 773-304-5438

Bernice "BJ" Najfus***Business Information Manager***

BJ has spent 5 years in the MRO space, all of which have been with Lawson as a business information manager. BJ's 20+ year career before Lawson included roles in finance, accounting, and business analytics. She holds an undergraduate degree in Finance and a Master degree in Information Systems. BJ will assist Lisa in managing the data and reporting necessary to ensure successful execution of the go-to-market strategy. bernice.najfus@lawsonproducts.com; 773-304-5071

John Swierc, Cainan Benoit, and Ryan Mullally***Government Sales Managers***

John, Cainan and Ryan bring with them a combined 20 years of experience in the MRO industry and with Lawson. They are responsible for securing contractual agreements with public sector entities and agencies across the United States in cooperation with our 1,000 field sales representatives and leaders. John, Cainan and Ryan have all had previous positions at Lawson in the field sales organizations, either as field sales representatives or district sales managers. This credibility and experience will serve them greatly as they work across the country to implement the 90-day go-to-market strategy in partnership with our field sales organization. john.swierc@lawsonproducts.com; 615-490-2911; cainan.benoit@lawsonproducts.com; 337-581-8487; ryan.mullally@lawsonproducts.com; 469-400-7400

e. Describe Offeror's experience working with the government sector.

Lawson Products' Response:

Lawson has hundreds of state, local and education contracts directly with entities and seven cooperative purchasing contracts. Six out of seven cooperative purchasing contracts cover the contiguous and

noncontiguous United States; the remaining contract covers Canada. The list that follows illustrates the sales on a handful of these contracts for the past three years:

Contract Name	2017 Sales	2018 Sales	2019 Sales
National Intergovernmental Purchasing Alliance (IPA)	\$4,690,969	\$6,943,103	\$7,978,889 (projected)
California Award (CMAS) Multiple Schedule	\$428,029	\$519,171	\$624,978
Purchasing Alliance (PSA) Sourcing	\$301,958	\$345,691	\$414,193
Louisiana Award (LaMAS) Multiple Schedule	\$101,696	\$110,056	\$383,174
State of New Jersey	\$1,688,325	\$1,770,416	\$2,010,146
State of Mississippi	No data available	\$65,279	\$89,721

Lawson holds General Services Administration (GSA) contract #GS-06F-0027L – Hardware Superstore 51V which began with GSA on April 9, 2001 and expires on April 8, 2021. The annual sales volume for the past three years is as follows:

Contract Name	FY2017	FY2018	FY2019
GS-06F-0027L	\$4,433,703	\$5,159,792	\$5,472,906
Hardware Superstore 51V			

Please note that the data above reflect actual fiscal year for the Federal Government begins October 1 and ends September 30.

Segment	Average Percent of SLED	2017 Sales	2018 Sales	2019 Sales (projected)
City Government	37.7%	\$8,308,234	\$8,356,659	\$8,929,907
Primary Education (K-12)	18.7%	\$4,121,061	\$4,145,080	\$4,429,423
County Government	15.1%	\$3,327,701	\$3,347,097	\$3,576,700
State Government	12.1%	\$2,666,569	\$2,682,111	\$2,866,097
Non-Profit Organizations	9.5%	\$2,093,587	\$2,105,789	\$2,250,242

Colleges & Universities	6.3%	\$1,388,379	\$1,396,471	\$1,492,266
Public Health	.6%	\$132,227	\$132,997	\$142,121
Canadian Government		\$691,716	\$696,751	\$788,976
Federal Military and Civilian Government		\$6,480,876	\$6,508,567	\$6,888,037
All Government Sales as % of Total Sales		10.56%	10.60%	10.65%

- f. Describe past litigation, bankruptcy, reorganization, state investigations of entity or current officers and directors.

Lawson Products' Response:

On August 11, 2008, Lawson entered into a Deferred Prosecution Agreement ("DPA") with the United States Attorney General for the Northern District of Illinois. Lawson filed a copy of the Deferred Prosecution Agreement with the Securities and Exchange Commission upholding and fully complying with its obligations set forth under the Agreement. On August 19, 2011 the United States District Court for the Northern District of Illinois issued an order dismissing the information against Lawson with prejudice in Case No. 08-CR-633.

- g. Provide a minimum of 5 customer references relating to the products and services within this RFP. Include entity name, contact name and title, contact phone and email, city, state, and years serviced.

Lawson Products' Response:

Lawson has included 10 customer references that will verify our excellence in providing Vendor Managed Inventory and services exemplifying our "just the right product at just the right time" philosophy. Please see the list below:

	Reference #1	Reference #2	Reference #3
Entity Name:	Los Angeles World Airports	Town of LaGrange	Gwinnett County Public Schools
Contact Name:	Robert Haines	James Fetzer	Kim Murphy
Contact Title:	Fleet Maintenance Director	Deputy Superintendent	Senior Buyer
Contact Phone:	424-646-7900	845-590-2892	678-301-6292
Contact Email:	rhaines@LAWA.org	jfetzer@lagrangeny.gov	kim_murphy@gwinnett.k12.ga.us
City:	Los Angeles	LaGrangeville	Lawrenceville
State:	California	New York	Georgia

Years Serviced:	15 Years	8 Years	20 Years
Scope of Work:	We supply 11 departments with the Lawson Vendor Managed Inventory and provide training to end users.	We provide Lawson Vendor Managed Inventory to the Town for all their MRO supply needs.	We provide Lawson Managed Inventory to the County's Public Schools on a weekly basis.
	Reference #4	Reference #5	Reference #6
Entity Name:	Johnston County Schools	City of Lakewood	City of Kingsport
Contact Name:	Josh Loseke	Ramon Montoya	Steve Hightower
Contact Title:	Shop Foreman	Fleet Supervisor	Fleet Maintenance Manager
Contact Phone:	919-934-8340	303-987-7796	423-229-9446
Contact Email:	joshloseke@johnston.k12.nc.us	rammon@lakewood.org	Steve.Hightower@kingsporttn.gov
City:	Smithfield	Lakewood	Kingsport
State:	North Carolina	Colorado	Tennessee
Years Serviced:	7 Years	3 Years	20 Years
Scope of Work:	We provide Lawson Managed Inventory to the County's Schools in all MRO categories.	We provide Lawson Managed Inventory to the City's departments in all MRO categories.	We provide Lawson Managed Inventory to the City's departments on a weekly basis.
	Reference #7	Reference #8	Reference #9
Entity Name:	Trolley Tours of Nashville	General Services Administration	State of California – Department of Transportation
Contact Name:	Nathan Kingsbury	Marlyn Ziegler	Jason D. Cook
Contact Title:	Fleet Manager	Contracting Officer	Chief, Office of Material Services
Contact Phone:	615.947.5661	816 926-8364	916-227-9704
Contact Email:	Nathaniel.kingsbury@trolleytours.com	marlyn.ziegler@gsa.gov	jason.cook@dot.ca.gov
City:	Nashville	Heartland Acquisition Center	Sacramento
State:	Tennessee	Kansas	California
Years Serviced:	3 Years	18 Years	8 Years
Scope of Work:	We provide Vendor Managed Inventory for all maintenance and repair supplies to maintain their fleet and facility.	We provide Vendor Managed Inventory for all maintenance and repair supplies.	We provide Vendor Managed Inventory for all maintenance and repair supplies.

	Reference #10	
Entity Name:	Elko County School District	
Contact Name:	Seth Canning	
Contact Title:	Transportation Director	
Contact Phone:	775-738-0808	
Contact Email:	scanning@ECSDNV.net	
City:	Elko	
State:	Nevada	
Years Serviced:	4 Years	
Scope of Work:	We provide Vendor Managed Inventory for all maintenance and repair supplies.	

h. Provide any additional information relevant to this section.

Lawson Products' Response:

Lawson offers several unique attributes that would make us a valued MRO products alternative to OMNIA Partners' participants and three stand out in particular:

1. Lawson's focus on the small, consumable parts segment of the broader MRO industry and the unique service demands customers have for these products
2. Our approximately 1,000 local Lawson field sales representatives provide data-driven inventory management services to ensure OMNIA Partners' participants are operating in a cost-effective way while ensuring their operations never stop or slow due to an out-of-stock part or product
3. Lawson's long-standing and varied contractual and non-contractual relationships with government entities can help proliferate the OMNIA Partners' brand and value

Other attributes that make us stand out in a crowd are:

- Highly-trained and empowered Customer Service Team providing done-in-one first call resolution with little to no hold times and handoffs. This team includes specialists in web customer care and government customer care.
- A good/better/best product mix including commodity-grade products, nationally branded products and private-label maintenance-engineered products
- Technical and Engineering Team to provide product application and safety training free of charge
- The ability to provide, through our SAP enterprise resource planning tool, virtually endless product and customer usage data and analytics to help inform customer's MRO inventory management practices and reduce costs

- Extensive experience implementing and managing direct contracts and cooperative contracts in a compliant and value-driven way

- a. Provide a minimum of 5 customer references relating to the products and services within this RFP. Include entity name, contact name and title, contact phone and email, city, state, and years serviced.

Lawson Product's Response:

Lawson has included 10 customer references that will verify our excellence in providing Vendor Managed Inventory and services exemplifying our "just the right product at just the right time" philosophy. Please see the list below:

	Reference #1	Reference #2	Reference #3
Entity Name:	Los Angeles World Airports	Town of LaGrange	Gwinnett County Public Schools
Contact Name:	Robert Haines	James Fetzer	Kim Murphy
Contact Title:	Fleet Maintenance Director	Deputy Superintendent	Senior Buyer
Contact Phone:	424-646-7900	845-590-2892	678-301-6292
Contact Email:	rhaines@LAWA.org	jfetzer@lagrangenyc.gov	kim_murphy@gwinnett.k12.ga.us
City:	Los Angeles	LaGrangeville	Lawrenceville
State:	California	New York	Georgia
Years Serviced:	15 Years	8 Years	20 Years
Scope of Work:	We supply 11 departments with the Lawson Vendor Managed Inventory and provide training to end users.	We provide Lawson Vendor Managed Inventory to the Town for all their MRO supply needs.	We provide Lawson Managed Inventory to the County's Public Schools on a weekly basis.
	Reference #4	Reference #5	Reference #6
Entity Name:	Johnston County Schools	City of Lakewood	City of Kingsport
Contact Name:	Josh Loseke	Ramon Montoya	Steve Hightower
Contact Title:	Shop Foreman	Fleet Supervisor	Fleet Maintenance Manager
Contact Phone:	919-934-8340	303-987-7796	423-229-9446
Contact Email:	joshloseke@johnston.k12.nc.us	ramon@lakewood.org	Steve.Hightower@kingsporttn.gov
City:	Smithfield	Lakewood	Kingsport
State:	North Carolina	Colorado	Tennessee
Years Serviced:	7 Years	3 Years	20 Years
Scope of Work:	We provide Lawson Managed Inventory to the County's Schools in all MRO categories.	We provide Lawson Managed Inventory to the City's departments in all	We provide Lawson Managed Inventory to the City's departments on a weekly basis.

		MRO categories.	
	Reference #7	Reference #8	Reference #9
Entity Name:	Trolley Tours of Nashville	General Services Administration	State of California – Department of Transportation
Contact Name:	Nathan Kingsbury	Marlyn Ziegler	Jason D. Cook
Contact Title:	Fleet Manager	Contracting Officer	Chief, Office of Material Services
Contact Phone:	615.947.5661	816 926-8364	916-227-9704
Contact Email:	Nathaniel.kingsbury@trolleyto urs.com	marlyn.ziegler@gsa.gov	jason.cook@dot.ca.gov
City:	Nashville	Heartland Acquisition Center	Sacramento
State:	Tennessee	Kansas	California
Years Serviced:	3 Years	18 Years	8 Years
Scope of Work:	We provide Vendor Managed Inventory for all maintenance and repair supplies to maintain their fleet and facility.	We provide Vendor Managed Inventory for all maintenance and repair supplies.	We provide Vendor Managed Inventory for all maintenance and repair supplies.
	Reference #10		
Entity Name:	Elko County School District		
Contact Name:	Seth Canning		
Contact Title:	Transportation Director		
Contact Phone:	775-738-0808		
Contact Email:	scanning@ECSDNV.net		
City:	Elko		
State:	Nevada		
Years Serviced:	4 Years		
Scope of Work:	We provide Vendor Managed Inventory for all maintenance and repair supplies.		

TAB 5 – Value Add

d) Value Add

- a. Provide any additional information related to products and services Offeror proposes to enhance and add value to the Contract.
3. Competitive Range: It may be necessary to establish a competitive range. Factors from the predetermined criteria will be used to make this determination. Responses not in the competitive range will not receive further award consideration. Region 4 ESC may determine establishing a competitive range is not necessary.
 4. Past Performance: An Offeror's past performance and actions are relevant in determining whether or not the Offeror is likely to provide quality goods and services; the administrative aspects of performance; the Offeror's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the Offeror's businesslike concern for the interests of the customer may be taken into consideration when evaluating proposals, although not specifically mentioned in the RFP.
 5. Additional Investigations: Region 4 ESC reserves the right to make such additional investigations as it deems necessary to establish the capability of any Offeror.
 6. Oral Presentations/Interviews: Region 4 ESC reserves the right to conduct interviews with some or all of the offerors at any point during the evaluation process. However, Region 4 ESC may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. Region 4 ESC shall not reimburse the offeror(s) for the costs associated with the interview process.
 7. Negotiations: Exclusive or concurrent negotiations may be conducted with responsible offeror(s) for the purpose of altering or otherwise changing the conditions, terms and price of the proposed contract unless prohibited. Offeror(s) shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offeror(s).

Lawson Products' Response:

The goal of Vendor Managed Inventory (VMI) is to provide a mutually beneficial relationship where both sides will be able to more smoothly and accurately control the availability and flow of goods for OMNIA Partners' participants. In VMI, Lawson assumes the role of inventory planning for the customer.

Extensive information sharing between Lawson and OMNIA Partners' participants is required so that the Lawson can maintain a high degree of visibility of goods/requirements at each location. Instead of the customer reordering when its supply has been exhausted, Lawson is responsible for replenishing and stocking the customer location at appropriate levels. Lawson has mastered VMI and Lawson takes the lead against many other organizations and how they benchmark themselves.

Our VMI programs goal is to minimize any capital investment in inventory while providing "package friendly" quantities that assure maximum productivity to OMNIA Partners' participants. To do this Lawson first establishes acceptable min/max service levels at each OMNIA Partners' participants locations. Lawson then reviews the condition and status of all bin equipment and the disposition of current inventory levels. A site-specific plan will be developed between Lawson and each OMNIA Partners' participants individually. During these site-specific planning's it will also be determined needs if any new equipment such as bins and cabinets are required. Lawson will use current best practices and ensure they are followed; this provides a minimum inventory investment and improved inventory turns and will provide a reduction in cost of ownership for the OMNIA Partners' participant. Lawson's current VMI program also provides opportunities for obsolete inventory reduction within your current OMNIA Partners' participant locations where applicable. Current inventory consolidation, inventory standardization, and reduced risks results in an overall cost savings to the customers.

OMNIA Partners' participants will have supplier benefits that Lawson carries out its task of maintaining predetermined inventory and avoiding stock-outs, we are then able to lock in a VMI-supported customer for the long term (with or without a contract). This will produce a steady and predictable flow. A VMI partnership allows Lawson to schedule its operations more productively because it is now monitoring OMNIA Partners' participants entire inventory on a regular basis. Furthermore, reductions in inventory will be achieved once Lawson develops a better understanding of how the end user customer truly uses its goods over the course of a year.

- How we effectively partner on VMI Work:
 - Clarify expectations. There needs to be thorough discussion about how the system will benefit both organizations in the long term. The objective is clear and constant communication between the Lawson and OMNIA Partners' participants. When the two parties work in conjunction we can be assured that the planning function, for both sides, will begin to smooth over time.
 - Agree on how to share information. If Lawson and OMNIA Partners' participants can agree to share information vital to restocking in a timely manner, then the odds of a synchronized system will dramatically improve. Proprietary information would not have to be shared, but enough information to maintain a steady flow of goods is necessary. You should be willing to share production schedules and/or forecasts to provide some visibility for Lawson.

- Keep communication channels open. When Lawson and OMNIA Partners’ participants set out to implement a VMI program, we need to meet and discuss their goals and how they need to proceed in order to realize those goals. Once a VMI program has been activated, each side needs to understand that there are going to be some miscues. These miscues need to be studied as opportunities for learning and then used to avoid repetitive problems in the future.

As part of Lawson’s commitment to the OMNIA Partners on the MRO contract, Lawson will continually strive to exceed the OMNIA expectations saving time, money and obsolescence in inventory for OMNIA Partners’ participants.

Lawson believes through extensive experience building and managing large sales teams that sales people sell products and programs when they’re confident in their knowledge of them. For this reason, Lawson places very high priority in the value of a robust and comprehensive sales training program.

Lawson offers several levels of training, safety documentation and reference materials for customers free of charge. Our Technical and Engineering support teams assist our customers by providing on-site application analysis and problem solving assistance, oftentimes custom-tailored for that particular application. Our Technical and Engineering Teams also develop SDS sheets for all chemical products, provide product selection that are certified (GS-37, NEMA, RoHS, NSF, or EPA certifications), create “how-to” videos for new products, and develop safe use brochures and wall charts. The customer benefits when products are appropriately selected and safely used based on their application and operating environment. The life of the product extended, but the safety and security of maintenance personnel is further ensured.

Lawson is proud to offer our ALERT (A Lawson Emergency Response Team) Program featuring both products and services that can help OMNIA Partners’ participants be prepared for the unpredictable and respond to the inevitable.

Products that Lawson offers to help you prepare and respond to a disaster:

Batteries	Hard Hats
First Aid Kit	Safety Cans
Infrared Thermometers	
Anchoring Systems	Insect Repellent
Visaglo	Instructional Signage
Adhesive Tape	Jumper Cables
Alarms	Lighting
Cable Ties	Mops / Brooms
Chemical Cleaners	Oils / Lubricants
Clamps	Padlocks
Drill Bits	Paints
Electrical Connectors	Protective Clothing
Electrical Crimping Kit	Pry Tools

Electrical Wire	Rain Suits
Extension Cords	Respiratory Protection
Eye Protection	Ropes / Straps / Chain
Fire Extinguishers	Saw Blades
Flashlights	
Gas Cans	Storm Panel Install Kit
Hand Protection	Tape
Hand Tools	Wipers
Screws (Drywall, Lags, Particle Board, Self-Drilling, Wood)	
Health / Sanitation / Light Station / Hearing Protection	

We also proudly feature the following services to help you get back on track quickly. In the event of an emergency, we are here to do more. Here are some services Lawson offers to help you address your immediate needs.

TOLL FREE NUMBER - Dedicated toll-free number providing a direct hotline to our ALERT team in the event of an emergency.

PURCHASE HISTORY SUMMARY - Quick and timely retrieval of a customer's purchase history providing an itemized listing of damaged or missing product for insurance claims. Additionally this information can be used to expedite the shop replacement process.

READY ALLOWANCE PROGRAM - Program where customers can receive credit in exchange for damaged product which can be applied toward future purchases.

EMERGENCY SUPPORT TEAMS - Following a substantial disaster our ALERT team is quickly assembled and mobilized to directly assist impacted communities.

LOCAL PRODUCT AVAILABILITY - Essential disaster relief items ready for immediate responsive mobilization to impacted communities.

Rebate to OMNIA Partners' Participants

Lawson will offer a volume growth incentive (paid after each calendar year) as part of our proposal response to Region 4 ESC / OMNIA Partners.

Every April 1st of each contract year, Lawson will pay a 5% rebate to any single entity that purchased a minimum of \$30,000 with Lawson the previous 12 months. For example, an account that purchased \$100,000 with Lawson between April 1st 2020 – March 31st 2021 will receive 5% or \$5,000 paid out in April 2021. This will apply to both current and new customers.

In addition to OMNIA Partners pricing, Lawson will offer additional competitive discounted pricing in those cases where OMNIA Partners' participants make high volume purchases. High volume purchases are reviewed for validity and customer specific pricing is applied to the purchase.

On a frequency determined by OMNIA Partners, Lawson will report the results of all OMNIA Partners cooperative contract sales using the template provided by the OMNIA Partners, drilling down to the required level of detail specified by OMNIA Partners in order to assess if rebate fees are due to the participants. Fields typical of contract reporting include the participating agency name, address, participating agency membership number, date of transaction, contract sales for that agency, the percentage of the rebate and the total dollar of the rebate. The aggregated total is then remitted by Lawson and all completed within the allowable timeframe as dictated by the contracting officer.

In addition, we offer our Find MRO group (Specials) to support any product needs outside of our current offering for OMNIA Partners' participants if need be. This group is able to source any and all products for support of this contract.

Lawson currently has a Find MRO Department (also known as Specials) to source products which is not currently listed Lawson's contract catalog or on-line ordering system. This Department will be made available to all OMNIA Partners' participants for any needs outside of our current offering. Sourced Products allow Lawson to help the customer meet their overall purchasing needs in a one-stop shopping method. The product category and brand offered varies based off of individual customer needs. Charges for items sourced through our Specials department vary depending on items, category, quantity purchase, packaging requirements, and cost and weight, etc. These items are priced through a fair market quote.

Lawson believes in sourcing products using a simple philosophy – "like or better." Our special products sourcing specialists work hand in hand with customers, procurement personnel and our own field sales representatives to understand all necessary specifications and performance requirements, then submit our recommendations for solutions that meet their needs.

While we compete in the same space as Fortune 100 companies and big box stores our 300,000 customers value this combination of specialized products and customer-specific inventory services. The Lawson method of facilitating sourced products is by providing the customer a quote for the items requested. Products purchased through our Special Products Sourcing Team deliver within 10 days.

Lawson determines pricing for requests like these as needed and determines the pricing based on the following criteria:

- Quantity/usage
- Item specifications (highly specialized or common specifications)
- Brand requirements (specified brand or commodity item)
- Delivery requirements (rush or standard)
- Competitive pricing for like items
- TAA country of origin requirements (if required to source in compliance with TAA standards)
- Member's intent to purchase regularly (or one-time buy)
- Pricing is freight included (FOB destination) for standard shipments. Expedited shipping per the member locations request will be prepaid and added to the location's invoice.

To maintain the utmost quality to our customers and to OMNIA Partners' participants, Lawson currently provides OMNIA Partners' participants our Proprietary Products to help service and maintain their projects. These Proprietary Products are currently being used by OMNIA Partners' participants and maintain the highest standards for you and our customers. A sample of our Proprietary Products currently used by OMNIA Partners' participants include: Tru-Torq / Tuff-Torq, Third Power, Tuff-Grit, Regency. An overview of these products follows with many additional proprietary products available to OMNIA Partners' participants within this cooperative contract.

Lawson's Proprietary Products are second to none within the industry and are environmentally friendly. The environmental footprint of our products can be favorably impacted by how we decided to make them and purchase them. So, we use green and sustainable design principles and other environmental design criteria in the development of our manufactured spec processes within our proprietary product, our distribution and our packaging right from the start.

Lawson currently uses these benchmarks to help build our companies social and environmental responsibilities: OSHA (Occupational Safety and Health Administration), EEOC (Equal Employment Opportunity Commission); CPSC (Consumer Product Safety Commission) and the EPA (Environmental Protection Agency).

Today, Lawson distributes goods as well as supplies products from our manufactured spec processes within our proprietary products all formulated from renewable resources and that are Green Seal certified helping to reduce and/or eliminate hazardous materials, increase efficiencies and reduce overall waste. Lawson currently carries approximately 100 Green Seal certified products that can all be sourced by our customers simply and easily in our Online Catalog (at www.lawsonproducts.com) by searching "Green Seal", or, in our Hard Copy Catalog by looking for the Trade Mark seal "Green Seal". All Green Seal products from Lawson ship to the customer with the appropriate Certified Seal Stamp and come with all MSDS/SDS required documentation.

Lawson participates in voluntary labeling of environmentally preferable products. Our Green Seal certified labels meet the criteria for Third-party certifiers of the US Environmental Protection Agency, the requirements for standard development organizations of the American National Standards Institute, and the principles for environmental labels of the International Organization for Standardization (ISO 14020 and 14024).

All required product from Lawson is labeled to meet all ECCO Standard requirements with Eco-labels, Green Stickers Design for the Environment, Energy Star, Certifications, etc. This labeling of product is overseen and audited following Lawson's ISO 9001 requirements and Lawson is managing to ISO 14024 requirements in the future.

Today, Lawson supplies and manufactures products to our specification that are all formulated from renewable resources and that are all NEMA and RoHS certified helping to reduce and/or eliminate hazardous materials, increase efficiencies and reduce overall waste. Lawson currently carries 100's of

products within our Power Equipment offering and our Electrical offering that are all NEMA and RoHS certified. These products can all be sourced by our customers simply and easily in our Online Catalog (at www.lawsonproducts.com) by searching “NEMA” and “RoHS”, or, in our Hard Copy Catalog by looking for the NEMA/RoHS stamp.

All NEMA and RoHS certified products from Lawson ship to the customer with the appropriate Certified Seal Stamp and come with all MSDS/SDS required documentation.

Appendix C, Doc #1

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- ☒ We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.
- ☐ We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must include detailed reasons to substantiate the exemption(s). Price is not confidential and will not be withheld. All information believed to be a trade secret or proprietary must be listed. It is further understood that failure to identify such information, in strict accordance with the instructions, will result in that information being considered public information and released, if requested under the Public Information Act.)

11/15/19
Date


Authorized Signature & Title
Michael DeCata, President and Chief Executive Officer

Appendix C, Doc #2

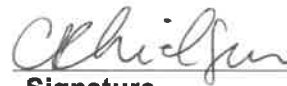
ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)
Attorney General Form

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this Contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company

Lawson Products, Inc.

Contact

Signature

Christina Nielsen

Printed Name

Director of Government Sales

Position with Company**Address**

Suite #900

Chicago

Illinois

60631

**Official
Authorizing
Proposal**

Signature

Michael DeCata

Printed Name

President and Chief Executive Officer

Position with Company**Phone**

800-890-8198

Fax

312-267-1734

Appendix C, DOC # 3

Implementation of House Bill 1295

Certificate of Interested Parties (Form 1295):

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295.

Filing Process:

Starting on January 1, 2016, the commission made available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract.

The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. This process is known as acknowledging the certificate. The commission will post the acknowledged Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency. The posted acknowledged form does not contain the declaration of signature information provided by the business.

A certificate will stay in the pending state until it is acknowledged by the governmental agency. Only acknowledged certificates are posted to the commission's website.

Electronic Filing Application: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

Frequently Asked Questions:

https://www.ethics.state.tx.us/resources/FAQs/FAQ_Form1295.php

Changes to Form 1295: <https://www.ethics.state.tx.us/data/filinginfo/1295Changes.pdf>

CERTIFICATE OF INTERESTED PARTIES**FORM 1295**

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

Certificate Number:
2019-561731

Date Filed:
11/14/2019

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Lawson Products Inc
 Chicago, IL United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Region 4 Education Service Center

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

19-20
 Maintenance, Repair and Operations (MRO) Supplies & Related Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

**6 UNSWORN DECLARATION**

My name is Michael DeCata, and my date of birth is 12/3/1957.

My address is 8770 W. Bryn Mawr Ave., Ste. #900, Chicago, IL, 60631, USA.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Cook County, State of IL, on the 15 day of November, 20 19.
(month) (year)



Signature of authorized agent of contracting business entity
 (Declarant)

Appendix C, DOC # 4

Texas Government Code 2270 Verification Form

House Bill 89 (85R Legislative Session), which adds Chapter 2270 to the Texas Government Code, provides that a governmental entity may not enter into a contract with a company without verification that the contracting vendor does not and will not boycott Israel during the term of the contract.

Furthermore, Senate Bill 252 (85R Legislative Session), which amends Chapter 2252 of the Texas Government Code to add Subchapter F, prohibits contracting with a company engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared by the Texas Comptroller.

I, Michael DeCata, as an authorized representative of

Lawson Products, Inc., a contractor engaged by

Insert Name of Company

Region 4 Education Service Center, 7145 West Tidwell Road, Houston, TX 77092, verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future.

Also, our company is not listed on and we do not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>.

I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

I swear and affirm that the above is true and correct.



Signature of Named Authorized Company Representative
Michael DeCata, President and Chief Executive Officer

11/15/19

Date

Form Revised 10/27/201



7145 West Tidwell Road ~ Houston, Texas 77092

(713)-462-7708

www.esc4.net

NOTICE TO OFFEROR

ADDENDUM NO. 2

Solicitation Number 19-20

Request for Proposal ("RFP")
by

Region 4 Education Service Center ("ESC")
for

Maintenance, Repair and Operations (MRO) Supplies & Related Services

SUBMITTAL DEADLINE: Monday, December 9, 2019, 2:00 PM CENTRAL TIME

This Addendum No. 2 amends the Request for Proposals (RFP) for Maintenance, Repair and Operations (MRO) Supplies & Related Services 19-20 ("Addendum").

To the extent of any discrepancy between the original RFP and this Addendum, this Addendum shall prevail.

This Addendum No. 2 is hereby issued to change;

1. SUBMITTAL DEADLINE: Monday, December 9, 2019, 2:00 PM CENTRAL TIME
2. DEADLINE FOR RECEIPT OF QUESTIONS: November 21, 2019
3. Page 39 – Change first paragraph labeled "M" to "L".
4. Appendix E – Products & Services Pricing and market basket has been amended and is attached.
5. Additions to Appendix C – ADDITIONAL REQUIRED DOCUMENTS

Appendix C, DOC # 5

SPECIAL CONDITIONS

The below clauses are applicable to the Offer; by Submitting a Sealed Proposal the Offeror is accepting these Special Conditions:

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3.

i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of Region 4 ESC nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended as described in Chapter III, ¶ 6.d must be rejected and cannot receive contract awards at any level.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;

Federal Requirements

Services issued under this contract may be in response to an emergency or disaster recovery situation and eligible for federal funding; Services issued in response to an emergency or disaster recovery situation are subject to and must comply with all federal requirements applicable to the funding. The remaining items below, located in this Special Conditions section, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses**1. Termination for Convenience:**

The right to terminate this Contract for the convenience of Region 4 ESC is retained by Region 4 ESC. In the event of a termination for convenience by Region 4 ESC, Region 4 ESC shall, at least ten (10) calendar days in advance, deliver written notice of the termination for convenience to Contractor. Upon Contractor's receipt of such written notice, Contractor immediately shall cease the performance of the Work and shall take reasonable and appropriate action to secure and protect the Work then in place. Contractor shall then be paid by Region 4 ESC, in accordance with the terms and provisions of the Contract Documents, an amount not to exceed the actual labor costs incurred, the actual cost of all materials installed and the actual cost of all materials stored at the project site or away from the project site, as approved in writing by Region 4 ESC but not yet paid for and which cannot be returned, and actual, reasonable and documented demobilization costs, if any, paid by Contractor and approved by Region 4 ESC in connection with the Scope of Work in place which is completed as of the date of termination by Region 4 ESC and that is in conformance with the Contract Documents, less all amounts previously paid for the Work. No amount ever shall be owed or paid to Contractor for lost or anticipated profits on any part of the Scope of Work not performed or for consequential damages of any kind.

2. Equal Employment Opportunity:

Region 4 ESC highly encourages Contractors to implement Affirmative Action practices in their employment programs. This means Contractor should not discriminate against any employee or applicant for employment because of race, color, religion, sex, pregnancy, sexual orientation, political belief or affiliation, age, disability or genetic information.

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. "During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States."

4. Davis Bacon Act and Copeland Anti-Kickback Act.

- a. Applicability of Davis-Bacon Act. The Davis-Bacon Act only applies to the emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program. **It does not apply to other FEMA grant and cooperative agreement programs, including the Public Assistance Program.**
- b. All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction)). See 2 C.F.R. Part 200, Appendix II, ¶ D.
- c. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- d. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- e. In contracts subject to the Davis-Bacon Act, the contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti-Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
- f. The regulation at 29 C.F.R. § 5.5(a) does provide the required contract clause that applies to compliance with both the Davis-Bacon and Copeland Acts. However, as discussed in the previous subsection, the Davis-Bacon Act does not apply to Public Assistance recipients and subrecipients. **In situations where the Davis-Bacon Act does not apply, neither does the Copeland "Anti-Kickback Act."** However, for purposes of grant programs where both clauses do apply, FEMA requires the following contract clause:

"Compliance with the Copeland "Anti-Kickback" Act.

- (1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12."

5. Contract Work Hours and Safety Standards Act.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, ¶ E.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the workweek.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or

- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

"Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The (write in the name of the Federal agency or the loan or grant recipient) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

6. Rights to Inventions Made Under a Contract or Agreement.

- a. Stafford Act Disaster Grants. This requirement **does not apply to the Public Assistance,** Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as

FEMA awards under these programs do not meet the definition of "funding agreement."

D. If the FEMA award meets the definition of "funding agreement" under 37 C.F.R.

§ 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II, ¶ F.

- c. The regulation at 37 C.F.R. § 401.2(a) currently defines "funding agreement" as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

7. Clean Air Act and the Federal Water Pollution Control Act. Contracts of amounts in excess of \$150,000 must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II, ¶ G.

- a. The following provides a sample contract clause concerning compliance for contracts of amounts in excess of \$150,000:

"Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C.

§ 7401 et seq.

- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.”

8. Debarment and Suspension.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Non-federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security’s regulations at 2 C.F.R. Part 3000 (Non procurement Debarment and Suspension).
- c. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II, ¶ H; and *Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R. Part 200 (Uniform Rules): Supplement to the Public Assistance Procurement Disaster Assistance Team (PDAT) Field Manual* Chapter IV, ¶ 6.d, and Appendix C, ¶ 2 [hereinafter *PDAT Supplement*]. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530; *PDAT Supplement*, Chapter IV, ¶ 6.d and Appendix C, ¶ 2.
- d. In general, an “excluded” party cannot receive a Federal grant award or a contract within the meaning of a “covered transaction,” to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a “covered transaction,” which is any non-procurement transaction (unless excepted) at either a “primary” or “secondary” tier. Although “covered transactions” do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipient.
- e. Specifically, a covered transaction includes the following contracts for goods or services:
 - (1) The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 - (2) The contract requires the approval of FEMA, regardless of amount.
 - (3) The contract is for federally required audit services.
 - (4) A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified:

“Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of

the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by (insert name of subrecipient). If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

9. Byrd Anti-Lobbying Amendment.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Contractors that apply or bid for an award of \$100,000 or more must file the required certification. See 2 C.F.R. Part 200, Appendix II, ¶ I; 44 C.F.R. Part 18; *PDAT Supplement*, Chapter IV, 6.c; Appendix C, ¶ 4.
- c. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. See *PDAT Supplement*, Chapter IV, ¶ 6.c and Appendix C, ¶ 4.
- d. The following provides a Byrd Anti-Lobbying contract clause:

"Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient."

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Lawson Products, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 *et seq.*, apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Michael DeCata, President & Chief Executive Officer

Date" 11/15/19

10. Procurement of Recovered Materials.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. A non-Federal entity that is a state agency or agency of a political subdivision of a

state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962). See 2 C.F.R. Part 200, Appendix II, ¶ J; 2 C.F.R. § 200.322; *PDAT Supplement*, Chapter V, ¶ 7.

- c. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. The following provides the clause that a state agency or agency of a political subdivision of a state and its contractors can include in contracts meeting the above contract thresholds:

“(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

- (i) Competitively within a timeframe providing for compliance with the contract performance schedule;
- (ii) Meeting contract performance requirements; or
- (iii) At a reasonable price.

(2) Information about this requirement, along with the list of EPA- designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.”

11. Additional FEMA Requirements.

- a. The Uniform Rules authorize FEMA to require additional provisions for non-Federal entity contracts. FEMA, pursuant to this authority, requires or recommends the following:
- b. Changes.

To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

- c. Access to Records.

All non-Federal entities must place into their contracts a provision that all contractors and their successors, transferees, assignees, and subcontractors acknowledge and agree to comply with applicable provisions governing Department and FEMA access to records, accounts, documents, information, facilities, and staff. See DHS Standard Terms and Conditions, v 3.0, ¶ XXVI (2013).

- d. The following provides a contract clause regarding access to records:

"Access to Records. The following access to records requirements apply to this contract:

(1) The contractor agrees to provide (insert name of state agency or local or Indian tribal government), (insert name of recipient), the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract."

12. DHS Seal, Logo, and Flags.

- a. All non-Federal entities must place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. See DHS Standard Terms and Conditions, v 3.0, ¶ XXV (2013).
- b. The following provides a contract clause regarding DHS Seal, Logo, and Flags:
"The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval."

13. Compliance with Federal Law, Regulations, and Executive Orders.

- a. All non-Federal entities must place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- b. The following provides a contract clause regarding Compliance with Federal Law, Regulations, and Executive Orders: "This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply with all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives."

14. No Obligation by Federal Government.

- a. The non-Federal entity must include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- b. The following provides a contract clause regarding no obligation by the Federal Government: "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

15. Program Fraud and False or Fraudulent Statements or Related Acts.

- a. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. The following provides a contract clause regarding Fraud and False or Fraudulent or Related Acts: "The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract."

Additional contract clauses per 2 C.F.R. § 200.325

For applicable construction/reconstruction/renovation and related services: A payment and performance bond are both required for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided in the contract.

Offeror agrees to comply with all terms and conditions outlined in the Special Conditions section of this solicitation.

Offeror's Name: Lawson Products, Inc.

Address, City, State, and Zip Code: 8770 W. Bryn Mawr Ave., Suite #900, Chicago, IL 60631

Phone Number: 800-890-8198 Fax Number: 312-267-1734

Printed Name and Title of Authorized Representative: Michael DeCata, President and Chief Executive Officer

Email Address: govsales@lawsonproducts.com

Signature of Authorized Representative:  Date: 11/15/19

Appendix C, DOC # 6

QUESTIONNAIRE

Please provide responses to the following questions that address your company's operations, organization, structure and processes for providing products and services.

1. Diversity Programs

- Do you currently have a diversity program or any diversity partners that you do business with? ☐ Yes ☒ No
(If the answer is yes, attach a statement detailing the structure of your program, along with a list of your diversity alliances and a copy of their certifications.)

2. Diverse Vendor Certification Participation

Region 4 ESC encourages the use of under-utilized businesses (HUB), minority and women business enterprises (MWBE), and small and/or disadvantages business enterprises (SBE) both as prime and subcontractors. Offerors shall indicate below whether or not they and/or any of their subcontractors (and if so which) hold certification in any of the classified areas and include proof of such certification with their response.

a. Minority Women Business Enterprise

Respondent certifies that this firm is an MWBE

☐ Yes ☒ No

List certifying agency: _____

b. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)

Respondent certifies that this firm is a SBE or DBE

☐ Yes ☒ No

List certifying agency: _____

c. Historically Underutilized Businesses (HUB)

Respondent certifies that this firm is a HUB

☐ Yes ☒ No

List certifying agency: _____

d. Historically Underutilized Business Zone Enterprise (HUBZone)

Respondent certifies that this firm is a HUBZone

☐ Yes ☒ No

List certifying agency: _____

e. Other

Respondent certifies that this firm is a recognized diversity certificate holder

☐ Yes ☒ No

List certifying agency: _____

3. Has Offeror made and is Offeror committed to continuing to take all affirmative steps set forth in 2 CFR 200.321 as it relates to the scope of work outlined in this solicitation? ☐Yes ☒No

6.

DOC #7 For applicable construction/reconstruction/renovation and related services, a bid guarantee is required not less than five percent (5%) of the total bid. Surety shall provide a copy of the Power of Attorney authorizing the Executing Agent the authority to execute the bid bond documents and bind the Surety to the bid bond conditions. The bid bond shall have a corporate Surety that is licensed to conduct business in Texas and authorized to underwrite bonds in the amount of the bid bond. For the purposes of this solicitation, the total bid is to be \$60,000,000.

RECEIPT OF ADDENDUM ACKNOWLEDGEMENT

Offeror shall acknowledge this addendum by signing below and include in their proposal response.

Company Name Lawson Products, Inc.

Contact Person Michael DeCata

Signature 

Date 11/15/19

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist



7145 West Tidwell Road ~ Houston, Texas 77092

(713)-462-7708

www.esc4.net

NOTICE TO OFFEROR

ADDENDUM NO. 1

Solicitation Number 19-20

Request for Proposal ("RFP")
by

Region 4 Education Service Center ("ESC")
for

Maintenance, Repair and Operations (MRO) Supplies & Related Services

SUBMITTAL DEADLINE: Tuesday, December 3, 2019, 2:00 PM CENTRAL TIME

This Addendum No. 1 amends the Request for Proposals (RFP) for Maintenance, Repair and Operations (MRO) Supplies & Related Services 19-20 ("Addendum").

To the extent of any discrepancy between the original RFP and this Addendum, this Addendum shall prevail.

This Addendum No. 1 is hereby issued to:

1. Correct Non-Mandatory Pre-Proposal Conference time:

NON-MANDATORY PRE-PROPOSAL CONFERENCE


Offerors are strongly encouraged, but not required to participate in a pre-proposal conference with the Business Operations Specialist, which will be held on November 12, 2019 at 2:00 pm in the Region 4 ESC offices located at 7145 West Tidwell Road, Houston Texas 77092. To attend the conference, potential Offeror must notify Crystal Wallace, Business Operations Specialist, at cwallace@esc4.net, by November 6, 2019. Offeror's who are unable to attend in person but would like to call in must also send an email to request call in instructions. The purpose of this conference is to clarify the contents of this RFP in order to prevent any misunderstanding of Region 4 ESC's position. Any doubt as to the requirements of this RFP or any apparent omission or discrepancy should be presented to Region 4 ESC at this conference. Region 4 ESC will then determine the appropriate action necessary, if any, and may issue a written addendum to the RFP. Oral statements or instructions will not constitute an addendum to this RFP.

RECEIPT OF ADDENDUM ACKNOWLEDGEMENT

Offeror shall acknowledge this addendum by signing below and include in their proposal response.

Company Name Lawson Products, Inc.

Contact Person Michael DeCata

Signature _____

Date 11/25/19

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist



7145 West Tidwell Road ~ Houston, Texas 77092

(713)-462-7708

www.esc4.net

NOTICE TO OFFEROR

ADDENDUM NO. 2

Solicitation Number 19-20

**Request for Proposal ("RFP")
by**

**Region 4 Education Service Center ("ESC")
for**

Maintenance, Repair and Operations (MRO) Supplies & Related Services

SUBMITTAL DEADLINE: Monday, December 9, 2019, 2:00 PM CENTRAL TIME

This Addendum No. 2 amends the Request for Proposals (RFP) for Maintenance, Repair and Operations (MRO) Supplies & Related Services 19-20 ("Addendum").

To the extent of any discrepancy between the original RFP and this Addendum, this Addendum shall prevail.

This Addendum No. 2 is hereby issued to change;

- 1. SUBMITTAL DEADLINE: Monday, December 9, 2019, 2:00 PM CENTRAL TIME**
- 2. DEADLINE FOR RECEIPT OF QUESTIONS: November 21, 2019**
- 3. Page 39 – Change first paragraph labeled "M" to "L".**
- 4. Appendix E – Products & Services Pricing and market basket has been amended and is attached.**
- 5. Additions to Appendix C – ADDITIONAL REQUIRED DOCUMENTS**

Appendix C, DOC # 5

SPECIAL CONDITIONS

The below clauses are applicable to the Offer; by Submitting a Sealed Proposal the Offeror is accepting these Special Conditions:

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3.

i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of Region 4 ESC nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended as described in Chapter III, ¶ 6.d must be rejected and cannot receive contract awards at any level.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises; and
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;

Federal Requirements

Services issued under this contract may be in response to an emergency or disaster recovery situation and eligible for federal funding; Services issued in response to an emergency or disaster recovery situation are subject to and must comply with all federal requirements applicable to the funding. The remaining items below, located in this Special Conditions section, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses**1. Termination for Convenience:**

The right to terminate this Contract for the convenience of Region 4 ESC is retained by Region 4 ESC. In the event of a termination for convenience by Region 4 ESC, Region 4 ESC shall, at least ten (10) calendar days in advance, deliver written notice of the termination for convenience to Contractor. Upon Contractor's receipt of such written notice, Contractor immediately shall cease the performance of the Work and shall take reasonable and appropriate action to secure and protect the Work then in place. Contractor shall then be paid by Region 4 ESC, in accordance with the terms and provisions of the Contract Documents, an amount not to exceed the actual labor costs incurred, the actual cost of all materials installed and the actual cost of all materials stored at the project site or away from the project site, as approved in writing by Region 4 ESC but not yet paid for and which cannot be returned, and actual, reasonable and documented demobilization costs, if any, paid by Contractor and approved by Region 4 ESC in connection with the Scope of Work in place which is completed as of the date of termination by Region 4 ESC and that is in conformance with the Contract Documents, less all amounts previously paid for the Work. No amount ever shall be owed or paid to Contractor for lost or anticipated profits on any part of the Scope of Work not performed or for consequential damages of any kind.

2. Equal Employment Opportunity:

Region 4 ESC highly encourages Contractors to implement Affirmative Action practices in their employment programs. This means Contractor should not discriminate against any employee or applicant for employment because of race, color, religion, sex, pregnancy, sexual orientation, political belief or affiliation, age, disability or genetic information.

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. "During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided bylaw.
- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States."

4. Davis Bacon Act and Copeland Anti-Kickback Act.

- a. Applicability of Davis-Bacon Act. The Davis-Bacon Act only applies to the emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program. It does not apply to other FEMA grant and cooperative agreement programs, including the Public Assistance Program.
- b. All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction)). See 2 C.F.R. Part 200, Appendix II, ¶ D.
- c. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- d. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- e. In contracts subject to the Davis-Bacon Act, the contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti-Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
- f. The regulation at 29 C.F.R. § 5.5(a) does provide the required contract clause that applies to compliance with both the Davis-Bacon and Copeland Acts. However, as discussed in the previous subsection, the Davis-Bacon Act does not apply to Public Assistance recipients and subrecipients. In situations where the Davis-Bacon Act does not apply, neither does the Copeland "Anti-Kickback Act." However, for purposes of grant programs where both clauses do apply, FEMA requires the following contract clause:

"Compliance with the Copeland "Anti-Kickback" Act.

- (1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12."

5. Contract Work Hours and Safety Standards Act.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, ¶ E.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the workweek.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or

transmission of intelligence.

- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

"Compliance with the Contract Work Hours and Safety Standards Act.

- (1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) **Withholding for unpaid wages and liquidated damages.** The (write in the name of the Federal agency or the loan or grant recipient) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

6. Rights to Inventions Made Under a Contract or Agreement.

- a. **Stafford Act Disaster Grants.** This requirement **does not apply to the Public Assistance.** Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as

FEMA awards under these programs do not meet the definition of "funding agreement."

b. If the FEMA award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II, ¶ F.

c. The regulation at 37 C.F.R. § 401.2(a) currently defines "funding agreement" as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

7. Clean Air Act and the Federal Water Pollution Control Act. Contracts of amounts in excess of \$150,000 must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II, ¶ G.

a. The following provides a sample contract clause concerning compliance for contracts of amounts in excess of \$150,000:

"Clean Air Act

§ 7401 et seq.

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C.

(2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA."

8. Debarment and Suspension.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Non-federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non procurement Debarment and Suspension).
- c. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II, ¶ H; and Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R. Part 200 (Uniform Rules): Supplement to the Public Assistance Procurement Disaster Assistance Team (PDAT) Field Manual Chapter IV, ¶ 6.d, and Appendix C, ¶ 2 [hereinafter PDAT Supplement]. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530; PDAT Supplement, Chapter IV, ¶ 6.d and Appendix C, ¶ 2.
- d. In general, an "excluded" party cannot receive a Federal grant award or a contract within the meaning of a "covered transaction," to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a "covered transaction," which is any non-procurement transaction (unless excepted) at either a "primary" or "secondary" tier. Although "covered transactions" do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS's implementing regulations, it does include some contracts awarded by recipients and subrecipient.
- e. Specifically, a covered transaction includes the following contracts for goods or services:
 - (1) The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 - (2) The contract requires the approval of FEMA, regardless of amount.
 - (3) The contract is for federally required audit services.
 - (4) A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified:

"Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of

the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by (insert name of subrecipient). If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

9. Byrd Anti-Lobbying Amendment.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Contractors that apply or bid for an award of \$100,000 or more must file the required certification. See 2 C.F.R. Part 200, Appendix II, ¶ 1; 44 C.F.R. Part 18; *PDAT Supplement*, Chapter IV, 6.c; Appendix C, ¶ 4.
- c. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. See *PDAT Supplement*, Chapter IV, ¶ 6.c and Appendix C, ¶ 4.
- d. The following provides a Byrd Anti-Lobbying contract clause:

"Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient."

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be

submitted with each bid or offer exceeding \$100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Lawson Products, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 *et seq.*, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official



Name and Title of Contractor's Authorized Official

Michael DeCata, President & Chief Executive Officer

Date" 11/25/19

10. Procurement of Recovered Materials.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. A non-Federal entity that is a state agency or agency of a political subdivision of a

state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962). See 2 C.F.R. Part 200, Appendix II, ¶ J; 2 C.F.R. § 200.322; PDAT Supplement, Chapter V, ¶ 7.

- c. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. The following provides the clause that a state agency or agency of a political subdivision of a state and its contractors can include in contracts meeting the above contract thresholds:

“(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

(i) Competitively within a timeframe providing for compliance with the contract performance schedule;

(ii) Meeting contract performance requirements; or

(iii) At a reasonable price.

(2) Information about this requirement, along with the list of EPA- designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.”

11. Additional FEMA Requirements.

- a. The Uniform Rules authorize FEMA to require additional provisions for non-Federal entity contracts. FEMA, pursuant to this authority, requires or recommends the following:
- b. Changes.

To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

- c. Access to Records.

All non-Federal entities must place into their contracts a provision that all contractors and their successors, transferees, assignees, and subcontractors acknowledge and

agree to comply with applicable provisions governing Department and FEMA access to records, accounts, documents, information, facilities, and staff. See DHS Standard Terms and Conditions, v 3.0, ¶ XXVI (2013).

- d. The following provides a contract clause regarding access to records:

"Access to Records. The following access to records requirements apply to this contract:

(1) The contractor agrees to provide (insert name of state agency or local or Indian tribal government), (insert name of recipient), the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract."

12. DHS Seal, Logo, and Flags.

- a. All non-Federal entities must place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. See DHS Standard Terms and Conditions, v 3.0, ¶ XXV (2013).
- b. The following provides a contract clause regarding DHS Seal, Logo, and Flags: "The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval."

13. Compliance with Federal Law, Regulations, and Executive Orders.

- a. All non-Federal entities must place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- b. The following provides a contract clause regarding Compliance with Federal Law, Regulations, and Executive Orders: "This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply with all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives."

14. No Obligation by Federal Government.

- a. The non-Federal entity must include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- b. The following provides a contract clause regarding no obligation by the Federal Government: "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

15. Program Fraud and False or Fraudulent Statements or Related Acts.

- a. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. The following provides a contract clause regarding Fraud and False or Fraudulent or Related Acts: "The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract."

Additional contract clauses per 2 C.F.R. § 200.325

For applicable construction/reconstruction/renovation and related services: A payment and performance bond are both required for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided in the contract.

Offeror agrees to comply with all terms and conditions outlined in the Special Conditions section of this solicitation.

Offeror's Name: Lawson Products, Inc.

Address, City, State, and Zip Code: 8770 W. Bryn Mawr Ave., Suite #900, Chicago, IL 60631

Phone Number: 800-890-8198 Fax Number: 312-267-1734

Printed Name and Title of Authorized Representative: Michael DeCata, President and Chief Executive Officer

Email Address: govsales@lawsonproducts.com

Signature of Authorized Representative:  Date: 11/15/19

Appendix C, DOC # 6**QUESTIONNAIRE**

Please provide responses to the following questions that address your company's operations, organization, structure and processes for providing products and services.

1. Diversity Programs

- Do you currently have a diversity program or any diversity partners that you do business with? ☐ Yes ☒ No
(If the answer is yes, attach a statement detailing the structure of your program, along with a list of your diversity alliances and a copy of their certifications.)

2. Diverse Vendor Certification Participation

Region 4 ESC encourages the use of under-utilized businesses (HUB), minority and women business enterprises (MWBE), and small and/or disadvantaged business enterprises (SBE) both as prime and subcontractors. Offerors shall indicate below whether or not they and/or any of their subcontractors (and if so which) hold certification in any of the classified areas and include proof of such certification with their response.

a. Minority Women Business Enterprise

Respondent certifies that this firm is an MWBE ☐ Yes ☒ No

List certifying agency: _____

b. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)

Respondent certifies that this firm is a SBE or DBE ☐ Yes ☒ No

List certifying agency: _____

c. Historically Underutilized Businesses (HUB)

Respondent certifies that this firm is a HUB ☐ Yes ☒ No

List certifying agency: _____

d. Historically Underutilized Business Zone Enterprise (HUBZone)

Respondent certifies that this firm is a HUBZone ☐ Yes ☒ No

List certifying agency: _____

e. Other

Respondent certifies that this firm is a recognized diversity certificate holder ☐ Yes ☒ No

List certifying agency: _____

- 3. Has Offeror made and is Offeror committed to continuing to take all affirmative steps set forth in 2 CFR 200.321 as it relates to the scope of work outlined in this solicitation? ☐Yes ☒No**
- 6.**

DOC #7 For applicable construction/reconstruction/renovation and related services, a bid guarantee is required not less than five percent (5%) of the total bid. Surety shall provide a copy of the Power of Attorney authorizing the Executing Agent the authority to execute the bid bond documents and bind the Surety to the bid bond conditions. The bid bond shall have a corporate Surety that is licensed to conduct business in Texas and authorized to underwrite bonds in the amount of the bid bond. For the purposes of this solicitation, the total bid is to be \$60,000,000.

RECEIPT OF ADDENDUM ACKNOWLEDGEMENT

Offeror shall acknowledge this addendum by signing below and include in their proposal response.

Company Name Lawson Products, Inc.

Contact Person Michael DeCata

Signature 

Date 11/25/19

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist



7145 West Tidwell Road ~ Houston, Texas 77092

(713)-462-7708

www.esc4.net

NOTICE TO OFFEROR

ADDENDUM NO. 3

Solicitation Number 19-20

Request for Proposal ("RFP")
by

Region 4 Education Service Center ("ESC")
for

Maintenance, Repair and Operations (MRO) Supplies & Related Services

SUBMITTAL DEADLINE: Monday, December 9, 2019, 2:00 PM CENTRAL TIME

This Addendum No. 3 Amends Appendix E – Pricing File for Maintenance, Repair and Operations (MRO) Supplies & Related Services 19-20 ("Addendum").

To the extent of any discrepancy between the original RFP and this Addendum, this Addendum shall prevail.

This Addendum No. 3 is hereby issued to change;

1. Please utilize the revised Appendix E – Pricing File (labeled Version 3 on tab 1) attached. Please do not modify the formatting on this document.
2. An updated Pre-Proposal meeting notes file has been posted.

RECEIPT OF ADDENDUM ACKNOWLEDGEMENT

Offeror shall acknowledge this addendum by signing below and include in their proposal response.

Company Name Lawson Products, Inc.

Contact Person Michael DeCata

Signature 

Date 11/25/19

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist



7145 West Tidwell Road ~ Houston, Texas 77092

(713)-462-7708

www.esc4.net

NOTICE TO OFFEROR

PRE-PROPOSAL MEETING NOTES (version 2)

Solicitation Number 19-20

Request for Proposal ("RFP")
by

Region 4 Education Service Center ("ESC")
for

Maintenance, Repair and Operations (MRO) Supplies & Related Services

1. Appendix B will not be provided in Word format. If more rows are needed submit an attachment utilizing the format provided in Appendix B.
2. Functional Alternatives – Strike through the item listed and add your functional alternative information.
3. Appendix E – Category-Discount tab will be updated, and a new file provided.
4. Appendix E – Provide required information. If a tab is not required indicate "Intentionally left blank". Include your entire balance of line.
5. Appendix E – If additional incentive or volume discounts are offered indicate that within your response in Binder Tab 2.
6. Appendix E – Manufacturer information, if available is listed/provided. No other information is available.
7. Revised questions and RFP due date will be provided in Addendum #2. Region 4 is closed Thanksgiving week and from December 16, 2019 to January 5, 2020 for the holidays.
8. Redlines to any the OMNIA Partners documents must be submitted with your response.
9. Page 39 – correction to paragraph labels will be included in Addendum #2.
10. Appendix C will be amended in Addendum #2 with FEMA language.
11. Appendix D – OMNIA Partners documents, the Administrative Agreement can be signed in your response or a clean copy will be provided when potential awardees are identified. Exhibits F and G must be signed and submitted with the offeror's response.

12. Price lists – please complete Exhibit E – Price Lists. It is not required to submit your entire catalog with pricing.

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist

EXHIBIT F

FEDERAL FUNDS CERTIFICATIONS

FEDERAL CERTIFICATIONS

ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302–6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
 - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
 - (2) An agreement that provides only:
 - (i) Direct United States Government cash assistance to an individual;
 - (ii) A subsidy;
 - (iii) A loan;
 - (iv) A loan guarantee; or
 - (v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and

(c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$150,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES MBD Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES MBD Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30

CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES MED Initials of Authorized Representative of offeror

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- (1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does offeror agree? YES MED Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that

Requirements for National Cooperative Contract

offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES M&D Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES M&D Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Lawson Products, Inc. offers over 240,000 sku's. The Country of Origin is available upon request.

Does offeror agree? YES M&D Initials of Authorized Representative of offeror

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES M&D Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES M&D Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Lawson Products, Inc.

Address, City, State, and Zip Code: 8770 W. Bryn Mawr Ave., Ste #900, Chicago, IL 60631

Phone Number: 800-890-8198 Fax Number:
312-267-1734

Printed Name and Title of Authorized
Representative: Michael DeCata, President and Chief Executive Officer

Email Address: govsales@lawsonproducts.com

Signature of Authorized Representative:  Date: 11/15/19

EXHIBIT G
NEW JERSEY BUSINESS COMPLIANCE

NEW JERSEY BUSINESS COMPLIANCE

Suppliers intending to do business in the State of New Jersey must comply with policies and procedures required under New Jersey statutes. All offerors submitting proposals must complete the following forms specific to the State of New Jersey. Completed forms should be submitted with the offeror's response to the RFP. Failure to complete the New Jersey packet will impact OMNIA Partners, Public Sector's ability to promote the Master Agreement in the State of New Jersey.

- DOC #1 Ownership Disclosure Form
- DOC #2 Non-Collusion Affidavit
- DOC #3 Affirmative Action Affidavit
- DOC #4 Political Contribution Disclosure Form
- DOC #5 Stockholder Disclosure Certification
- DOC #6 Certification of Non-Involvement in Prohibited Activities in Iran
- DOC #7 New Jersey Business Registration Certificate

New Jersey suppliers are required to comply with the following New Jersey statutes when applicable:

- all anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38;
- Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act;
- Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26; and
- Bid and Performance Security, as required by the applicable municipal or state statutes.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information as of March 20, 2019 concerning the beneficial ownership by each person (including any "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934) known by the Company to own beneficially more than 5% of the outstanding shares of common stock of the Company, each director and director nominee, each named executive officer, and all executive officers and directors as a group. Unless otherwise noted below, the address of each beneficial owner listed in the table is 8770 West Bryn Mawr Avenue, Chicago, Illinois, 60631. Because the voting or dispositive power of certain stock listed in the following table is shared, in some cases the same securities are included with more than one name in the table. The total number of the Company's shares of common stock issued and outstanding as of March 20, 2019 is 8,962,450.

	Sole Dispositive Power	Restricted Stock Awards ⁽¹⁾	Total	%
<u>Five Percent Stockholders</u>				
Luther King Capital Management Corporation 301 Commerce Suite 1600 Fort Worth, Texas 76102	4,301,249 ⁽²⁾	—	4,301,249	48.0%
Dimensional Fund Advisors LP 6300 Bee Cave Road Austin, Texas 78746	592,307 ⁽³⁾	—	592,307	6.6%
BlackRock, Inc 55 East 52nd Street New York, New York 10055	510,714 ⁽⁴⁾	—	510,714	5.7%
<u>Non-Executive Directors</u>				
Andrew B. Albert	46,658	3,260	49,918	0.6%
I. Steven Edelson	31,658	3,260	34,918	0.4%
Lee S. Hillman	35,947	3,260	39,207	0.4%
J. Bryan King	4,294,201 ⁽⁵⁾	3,260	4,297,461	47.9%
Thomas S. Postek	64,243	3,260	67,503	0.8%
Wilma J. Smelcer	34,447	3,260	37,707	0.4%
<u>Named Executive Officers</u>				
Michael G. DeCata	34,302	36,083	70,385	0.8%
Neil E. Jenkins	15,779	14,356	30,135	0.3%
Ronald J. Knutson	15,235	12,998	28,233	0.3%
All Officers & Directors	4,572,470	82,997	4,655,467	51.9%

- (1) Unvested restricted stock awards, which have no voting or dividend rights and are non-transferable, will be exchanged for shares of the Company's Common Stock on their respective vesting dates.
- (2) Based on a Schedule 13D/A filed with the SEC on January 18, 2019. Includes (i) 1,689,358 shares held by PDLP Lawson, LLC (PDP), (ii) 250,000 shares held by LKCM Investment Partnership, L.P. (LIP), (iii) 26,102 shares held by LKCM Micro-Cap Partnership, L.P. (Micro), (iv) 10,128 shares held by LKCM Core Discipline, L.P. (Core), (v) 592,326 shares held by LKCM Headwater Investments II, L.P. (Headwater) and 1,723,787 shares held by Headwater Lawson Investors, LLC (HWLI). Luther King Capital Management Corporation is the investment manager for PDP, LIP, Micro, Core, Headwater and HWLI. J. Luther King, Jr. is a controlling stockholder of Luther King Capital Management Corporation and general partner of LIP, J. Luther King, Jr. and J. Bryan King are controlling members of the general partners of Micro and Core, and J. Bryan King is a controlling member of the general partners of Headwater. Each of the persons and entities listed in this footnote expressly disclaims membership in a group under the Securities Exchange Act of 1934, as amended, and expressly disclaims beneficial ownership of the securities reported in the table, except to the extent of its pecuniary interest therein. See also footnote 5.
- (3) Based on Schedule 13G filed with the SEC on February 8, 2019, Dimensional Fund Advisors LP beneficially held sole voting power for 552,209 shares and held sole dispositive power for 592,307 shares on December 31, 2018.
- (4) Based on a Schedule 13G filed with the SEC on February 5, 2019. BlackRock, Inc. beneficially held sole dispositive power for 510,714 shares and sole voting power for 466,191 shares on December 31, 2018.
- (5) Includes (i) 1,689,358 shares held by LKCM Private Discipline Master Fund, SPC, on behalf of its wholly owned subsidiary PDP, (ii) 26,102 shares held by Micro, (iii) 10,128 shares held by Core, (iv) 592,326 shares held by Headwater and 1,723,787 shares held by HWLI. LKCM Private Discipline Management, L.P. holds the management shares of PDP, and LKCM Alternative Management, LLC (PDP GP) is its general partner. LKCM Micro-Cap Management, L.P. (Micro GP) is the general partner of Micro. LKCM Core Discipline Management, L.P. (Core GP) is the general partner of Core. LKCM Headwater Investments II GP, L.P. (Headwater GP) is the general partner of Headwater. Mr. King is a controlling member of PDP GP, Micro GP, Core GP, and Headwater GP. Mr. King expressly disclaims beneficial ownership of the securities reported herein, except to the extent of his pecuniary interest therein. See also footnote 2.

DOC #2

NON-COLLUSION AFFIDAVIT

Company Name: Lawson Products, Inc.Street: 8770 W. Bryn Mawr Ave., Suite #900City, State, Zip Code: Chicago, IL 60631State of IllinoisCounty of Cook

I, Michael DeCata of
 the Lawson Products, Inc. Chicago
Name City

in the County of Cook, State of
Illinois

of full age, being duly sworn according to law on my oath depose and say that:

I am the President and Chief Executive Officer of the firm of
Lawson Products, Inc.

Title

Company Name

the Offeror making the Proposal for the goods, services or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said Offeror has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above proposal, and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that relies upon the truth of the statements contained in said proposal and in the statements contained in this affidavit in awarding the contract for the said goods, services or public work.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by

Lawson Products, Inc.

Company Name

Michael DeCata
 Authorized Signature & Title
 Michael DeCata, President and Chief Executive Officer

Subscribed and sworn before me

this 25th day of November, 2019

Maria S. Cassin
 Notary Public of Cook County, Illinois
 My commission expires May 19, 2021



DOC #3

**AFFIRMATIVE ACTION AFFIDAVIT
(P.L. 1975, C.127)**

Company Name: Lawson Products, Inc.
Street: 8770 W. Bryn Mawr Ave., Suite #900
City, State, Zip Code: Chicago, IL 60631

Proposal Certification:

Indicate below company's compliance with New Jersey Affirmative Action regulations. Company's proposal will be accepted even if company is not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photo copy of their Federal Letter of Affirmative Action Plan Approval

OR
2. A photo copy of their Certificate of Employee Information Report

OR
3. A complete Affirmative Action Employee Information Report (AA302) _____

Public Work – Over \$50,000 Total Project Cost:

- A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the
- B. Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

11/15/19

Date



Authorized Signature and Title

Michael DeCata, President and Chief Executive Officer

DOC #3, continued

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE
PROCUREMENT, PROFESSIONAL AND SERVICE
CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.


The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these

regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

A handwritten signature in black ink, appearing to read 'MD', is positioned above a horizontal line.

Signature of Procurement Agent
Michael DeCata, President and Chief Executive Officer

Certification 1738

**CERTIFICATE OF EMPLOYEE INFORMATION REPORT
RENEWAL**

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of **15-JAN-2017** to **15-JAN-2020**

**LAWSON PRODUCTS, INC.
8770 WEST BRYN MAWR AVE SUITE 900
CHICAGO IL 60631-1515**



Ford M. Scudder

**FORD M. SCUDDER
State Treasurer**

DOC #4

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM**Public Agency Instructions**

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). Please refer back to these instructions for the appropriate links, as the Local Finance Notices include links that are no longer operational.

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at <http://www.nj.gov/dca/divisions/dlgs/programs/lpcl.html#12>. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s).** As the forms are county-based, **they list all legislative districts in each county. Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used “as-is”, subject to edits as described herein.
 - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract (See Local Finance Notice 2006-7 for additional information on this obligation at http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. NOTE: This section is not applicable to Boards of Education.

DOC #4, continued

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM**Contractor Instructions**

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

* N.J.S.A. 19:44A-3(s): "The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures."

☐ Check here if the information is continued on subsequent page(s)

DOC #4, continued

List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 19:44A-20.26

County Name: N/A

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM
THE PAY TO PLAY SECTION OF THE DLGS WEBSITE A COUNTY-
BASED, CUSTOMIZABLE FORM.**

DOC #5

STOCKHOLDER DISCLOSURE CERTIFICATION**Name of Business:**

☒ I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

☐ I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:☐ Partnership☒ Corporation☐ Sole Proprietorship☐ Limited Partnership☐ Limited Liability Corporation☐ Limited Liability Partnership☐ Subchapter S Corporation**Sign and notarize the form below, and, if necessary, complete the stockholder list below.**

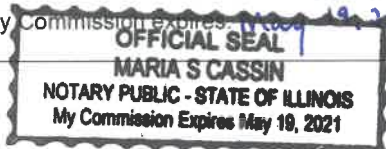
Lawson Products, Inc., an Illinois Corporation, is a wholly owned subsidiary of Lawson Products, Inc. a Delaware corporation. Please find the attached "Security Ownership of Certain Beneficial Owners and Management."

Stockholders:

Name: Lawson Products, Inc.	Name:
Home Address: 8770 W. Bryn Mawr Ave., Ste. #900, Chicago, IL 60631	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:

Subscribed and sworn before me this 25th day of
November, 2019.

(Notary Public)

My Commission Expires May 19, 2021


(Affiant)

Michael DeCata, President and Chief Executive
(Print name & title of affiant) Officer

(Corporate Seal)

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information as of March 20, 2019 concerning the beneficial ownership by each person (including any "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934) known by the Company to own beneficially more than 5% of the outstanding shares of common stock of the Company, each director and director nominee, each named executive officer, and all executive officers and directors as a group. Unless otherwise noted below, the address of each beneficial owner listed in the table is 8770 West Bryn Mawr Avenue, Chicago, Illinois, 60631. Because the voting or dispositive power of certain stock listed in the following table is shared, in some cases the same securities are included with more than one name in the table. The total number of the Company's shares of common stock issued and outstanding as of March 20, 2019 is 8,962,450.

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I. Steven Edelson	31,658	3,260	34,918	0.4%
Lee S. Hillman	35,947	3,260	39,207	0.4%
J. Bryan King	4,294,201 ⁽⁵⁾	3,260	4,297,461	47.9%
Thomas S. Postek	64,243	3,260	67,503	0.8%
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- (2) Based on a Schedule 13D/A filed with the SEC on January 18, 2019. Includes (i) 1,689,358 shares held by PDLP Lawton, LLC (PDL), (ii) 250,000 shares held by LKCM Investment Partnership, L.P. (LIP), (iii) 26,102 shares held by LKCM Micro-Cap Partnership, L.P. (Micro), (iv) 10,128 shares held by LKCM Core Discipline, L.P. (Core), (v) 592,326 shares held by LKCM Headwater Investments II, L.P. (Headwater) and 1,723,787 shares held by Headwater Lawton Investors, LLC (HWLI). Luther King Capital Management Corporation is the investment manager for PDL, LIP, Micro, Core, Headwater and HWLI. J. Luther King, Jr. is a controlling stockholder of Luther King Capital Management Corporation and general partner of LIP, J. Luther King, Jr. and J. Bryan King are controlling members of the general partners of Micro and Core, and J. Bryan King is a controlling member of the general partners of Headwater. Each of the persons and entities listed in this footnote expressly disclaims membership in a group under the Securities Exchange Act of 1934, as amended, and expressly disclaims beneficial ownership of the securities reported in the table, except to the extent of its pecuniary interest therein. See also footnote 5.
- (3) Based on Schedule 13G filed with the SEC on February 8, 2019, Dimensional Fund Advisors LP beneficially held sole voting power for 552,209 shares and held sole dispositive power for 592,307 shares on December 31, 2018.
- (4) Based on a Schedule 13G filed with the SEC on February 5, 2019. BlackRock, Inc. beneficially held sole dispositive power for 510,714 shares and sole voting power for 466,191 shares on December 31, 2018.
- (5) Includes (i) 1,689,358 shares held by LKCM Private Discipline Master Fund, SPC, on behalf of its wholly owned subsidiary PDL, (ii) 26,102 shares held by Micro, (iii) 10,128 shares held by Core, (iv) 592,326 shares held by Headwater and 1,723,787 shares held by HWLI. LKCM Private Discipline Management, L.P. holds the management shares of PDL, and LKCM Alternative Management, LLC (PDP GP) is its general partner. LKCM Micro-Cap Management, L.P. (Micro GP) is the general partner of Micro. LKCM Core Discipline Management, L.P. (Core GP) is the general partner of Core. LKCM Headwater Investments II GP, L.P. (Headwater GP) is the general partner of Headwater. Mr. King is a controlling member of PDP GP, Micro GP, Core GP, and Headwater GP. Mr. King expressly disclaims beneficial ownership of the securities reported herein, except to the extent of his pecuniary interest therein. See also footnote 2.

DOC #6

Certification of Non-Involvement in Prohibited Activities in Iran

Pursuant to N.J.S.A. 52:32-58, Offerors must certify that neither the Offeror, nor any of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32 – 56(e) (3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither is involved in any of the investment activities set forth in N.J.S.A. 52:32 – 56(f).

Offerors wishing to do business in New Jersey through this contract must fill out the Certification of Non-Involvement in Prohibited Activities in Iran here:

http://www.state.nj.us/humanservices/dfd/info/standard/fdc/disclosure_investmentact.pdf.

Offerors should submit the above form completed with their proposal.

**STATE OF NEW JERSEY – DIVISION OF PURCHASE AND PROPERTY
DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN**

Quote Number: Bid #: 19-20

Bidder/Offeror: _____

PART 1: CERTIFICATION**BIDDERS MUST COMPLETE PART 1 BY CHECKING EITHER BOX.****FAILURE TO CHECK ONE OF THE BOXES WILL RENDER THE PROPOSAL NON-RESPONSIVE.**

Pursuant to Public Law 2012, c. 25, any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must complete the certification below to attest, under penalty of perjury, that neither the person or entity, nor any of its parents, subsidiaries, or affiliates, is identified on the Department of Treasury's Chapter 25 list as a person or entity engaging in investment activities in Iran. The Chapter 25 list is found on the Division's website at <http://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Bidders must review this list prior to completing the below certification. **Failure to complete the certification will render a bidder's proposal non-responsive.** If the Director finds a person or entity to be in violation of law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party

PLEASE CHECK THE APPROPRIATE BOX:

☒ I certify, pursuant to Public Law 2012, c. 25, that neither the bidder listed above nor any of the bidder's parents, subsidiaries, or affiliates is listed on the N.J. Department of the Treasury's list of entities determined to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c. 25 ("Chapter 25 List"). I further certify that I am the person listed above, or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf. **I will skip Part 2 and sign and complete the Certification below.**

OR

☐ I am unable to certify as above because the bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the Department's Chapter 25 list. I will provide a detailed, accurate and precise description of the activities in Part 2 below and sign and complete the Certification below. Failure to provide such will result in the proposal being rendered as non-responsive and appropriate penalties, fines and/or sanctions will be assessed as provided by law.

PART 2: PLEASE PROVIDE FURTHER INFORMATION RELATED TO INVESTMENT ACTIVITIES IN IRAN

You must provide a detailed, accurate and precise description of the activities of the bidding person/entity, or one of its parents, subsidiaries or affiliates, engaging in the investment activities in Iran outlined above by completing the boxes below.

EACH BOX WILL PROMPT YOU TO PROVIDE INFORMATION RELATIVE TO THE ABOVE QUESTIONS. PLEASE PROVIDE THOROUGH ANSWERS TO EACH QUESTION. IF YOU NEED TO MAKE ADDITIONAL ENTRIES, CLICK THE "ADD AN ADDITIONAL ACTIVITIES ENTRY" BUTTON.

Name _____	Relationship to Bidder/Offeror _____
Description of Activities _____	
Duration of Engagement _____ Anticipated Cessation Date _____	
Bidder/Offeror Contact Name _____	Contact Phone Number _____

ADD AN ADDITIONAL ACTIVITIES ENTRY

Certification: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I attest that I am authorized to execute this certification on behalf of the above-referenced person or entity. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers of information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option may declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print): Michael DeCata

Signature: _____

Title: President & Chief Executive Officer

Date: 11/15/19

DOC #7

**NEW JERSEY BUSINESS REGISTRATION CERTIFICATE
(N.J.S.A. 52:32-44)**

Offerors wishing to do business in New Jersey must submit their State Division of Revenue issued Business Registration Certificate with their proposal here. Failure to do so will disqualify the Offeror from offering products or services in New Jersey through any resulting contract.

<http://www.state.nj.us/treasury/revenue/forms/njreg.pdf>



STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: LAWSON PRODUCTS, INC.
Trade Name:
Address: 8770 WEST BRYN MAWR AVENUE STE 900
CHICAGO, IL 60631
Certificate Number: 1534961
Effective Date: January 11, 2010
Date of Issuance: December 04, 2019

For Office Use Only:
20191204173134927