

LEVERAGED PURCHASING AGREEMENT
BETWEEN
THE JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURTS
AND KIMBALL OFFICE, INC.
AMENDMENT NO. 1

This Amendment No. 1, effective as of September 30, 2013 ("Amendment"), by and between the Judicial Council of California, Administrative Office of the Courts and Kimball Office, Inc. (together the Parties), amends the Leveraged Purchasing Agreement ("Agreement") between the Parties which was effective October 1, 2012.

The purpose of this Amendment is to:

1. Exercise one of the options to extend the Agreement,

The Parties agree to amend the Agreement as follows:

1. Extend the expiration date from September 30, 2013 to September 30, 2014;

All other terms and conditions of the Agreement shall remain the same.

Judicial Council of California,
Administrative Office of the Courts

By: 

Name: Grant Walker

Its: Senior Manager – Business Services

Kimball Office, Inc.

By: 

Name: John C. Manchir

Its: Vice President, Operations

LEVERAGED PURCHASING AGREEMENT

This LEVERAGED PURCHASING AGREEMENT ("Agreement") is between the Judicial Council of California, Administrative Office of the Courts ("AOC"), the Superior Courts of California, the California Courts of Appeals, including the California Supreme Court, and the Habeas Corpus Resource Center ("JBEs") and Kimball Office, Inc. ("Seller") will commence the 1st day of October, 2012 and expire on the 30th day of September, 2013, with three (3) one-year options to extend the term, which option(s) may be exercised individually or collectively by the AOC in its sole discretion any time prior to the expiration of the initial term or any option term. If the AOC elects to extend the term of this Agreement, the Seller may negotiate price adjustments applicable during the option period(s) and any agreed-upon price adjustments will be set forth in a written amendment to this Leveraged Purchasing Agreement ("Agreement"). Any agreed-upon price adjustment (whether an increase or decrease in price) may not exceed during any one-year option period the previous 12 months' change in the Los Angeles Area Consumer Price Index as published by the U.S. Bureau of Labor Statistics.

This Agreement will apply to all purchase orders received prior to the effective date of termination or expiration of this Agreement. This Agreement takes precedence over any other Agreement between JBEs and Seller including the terms and conditions of JBE's Purchase Order ("Purchase Order").

All purchases under this Agreement shall be in the form of a written Purchase Order, acknowledged by Seller, and shall be governed by the terms of this Agreement unless otherwise agreed to in writing. Unless otherwise agreed to in writing, all Purchase Orders will be written direct to Seller.

The parties agree as follows:

1. Scope.

1.1 Seller's items offered for sale include all Products listed in Attachment B, Products and Pricing, within the initial Agreement Term of two (2) years.

1.2 Pricing for lead times beyond the initial two (2) year timeframe shall be renegotiated at that time. There shall be no dollar commitment to JBEs during the Agreement term.

1.3 Payment terms are Net forty-five (45) days from receipt of invoice to JBEs. JBEs do not pay late fees.

1.4 The prices paid by the JBEs to Seller shall be at least as low as those prices charged by Seller to its other local and state governments customers that are receiving substantially comparable products and services at substantially comparable volumes over a similar period of time (no more than sixty (60) days before or after the date of Purchase Order submitted to Seller) to the products purchased by the JBEs. The foregoing comparison shall take into effect total volume of the Purchase Order and under the Agreement, geography (to the extent that geography has a direct effect on Seller's actual costs), service levels (when taken as a whole), technology, and assets associated with the products provided by Seller in each case and any taxes and transition charges included within the charges for such products. If during the Term, Seller performs on a purchase order from a state or local governmental entity within sixty (60) days before or after receipt of a purchase order from JBEs which contradicts the foregoing sentence, Seller shall (a) give the JBEs prompt notice of any such lower pricing, and (b) offer to the JBEs an immediate adjustment to the terms of this Agreement to reflect such lower pricing. At least once each year during the Term, upon the JBE's request an officer of Seller shall certify to the JBEs that this obligation has not been contradicted by any transaction entered into by Seller since the later of the (1) Effective Date and (2) date of the most recent certification provided by Seller pursuant to this obligation.

1.5 Seller and local dealers shall comply with state prevailing wage law, performed on the products funded by this Agreement. Compliance with state prevailing wage law includes without limitation: payment of at least prevailing wage as applicable; overtime and working hour requirements; apprenticeship obligations; payroll

recordkeeping requirements; and other obligations as required by applicable law.

1.6 Installation services will be quoted on a project by project basis, based on the scope of work and prevailing project conditions. Labor rates will be based on prevailing wages.

1.7 JBEs placing a Purchase Order under this Agreement shall have no obligation to pay any invoice that does not meet the requirements of this Agreement. JBEs will not make any advance payments for Products. One original and two copies of a correct, itemized invoice must be sent to the address shown on the Purchase Order. Each invoice must be printed on Seller's standard printed bill form, and must include at a minimum (a) the Purchase Order number, (b) Seller's name and address, (c) the nature of the invoiced charge, (d) the description of Product being ordered, (e) the per unit amount charged, if applicable, (f) the extended price, with taxes itemized separately, and (g) each item on the invoice designated as taxable or nontaxable. Amounts owed JBEs due to valid rejection of all or a portion of the Product in said invoices for non-conformance will be, at JBE's option, fully credited against future invoices payable by JBEs, or paid by Seller within forty-five (45) days from Seller's receipt of a debit memo or other written request for payment from the JBEs. JBEs shall have the right at any time to set off any amount owing from Seller to the JBEs in accordance with California law.

1.8 JBEs are exempt from federal excise taxes and no payment will be made for any taxes levied on Seller's employee's wages. JBEs will pay for any applicable State of California or local sales or use taxes on the Products provided or the services rendered. All tax must be included as a separate line item on Seller's invoice.

1.9 Delivery of Product must be in accordance with the instructions included at the time the Purchase Order is placed as acknowledged in writing by Seller. All deliveries must be made F.O.B. (free on board) destination (Ind. Code § 26-1-2-319) as freight pre-paid, with title and risk of loss passing to JBEs upon receipt of shipment at destination unless otherwise stated in the Purchase Order. Regardless whether specific delivery instructions are provided at the time the order is placed and noted on the Purchase Order, Seller is responsible for confirming or re-confirming, as applicable, with JBEs all details relevant to delivery and that the time and place of delivery are acceptable to the JBEs. JBEs may not have a loading dock to accept deliveries. Seller should assume that all deliveries will be inside deliveries to a specific location in the interior of a building as designated by JBEs placing the order. No charge for shipping, delivery (regardless whether delivery is to a loading dock or to a location inside a building), drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or any other purpose will be incurred or paid by the JBEs. In the event JBEs are unable to accept delivery at the agreed upon time and place, JBEs shall be responsible for all reasonable costs incurred by Seller for storage and additional transportation fees.

1.10 Requests for Purchase Order changes or cancellations must be in writing to Seller and are subject to Seller's approval. If approved, Seller will make changes according to its published policy, attached as Attachment D Change Order Policy and incorporated by reference.

1.11 Seller's Products are warranted to be free from defects in material and workmanship for various periods, depending on the product, all as set forth in Seller's standard warranty in effect at the time of order and found in Seller's current Price Lists Catalogs. The warranty period will begin from the date of delivery of Products. Any products delivered to JBEs that JBEs reject or refuse to accept must be returned to Seller. Buyer shall contact Seller for Returned Material Authorization (RMA) and shipping/ delivery instructions.

1.12 Seller shall indemnify, defend (with counsel reasonably satisfactory to JBEs) and hold the JBEs and their respective officers, agents, and employees harmless from any and all losses, costs (including reasonable attorneys' fees), liabilities, damages and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all third party claims (i) to the extent caused by Seller's acts or omissions constituting bad faith, willful misconduct, negligence or reckless disregard of its duties under this Agreement or any Purchase Order, (ii) arising out of Seller's and/or its local dealer's breach of its confidentiality obligations under this Agreement, or (iii) arising out of or related to a breach of any of Seller's and/or local dealer's representations and warranties set forth in this Agreement or any Purchase Order. NOTWITHSTANDING THE FOREGOING, SELLER SHALL IN NO CIRCUMSTANCES BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY, OR LIQUIDATED DAMAGES.

1.13 Seller shall indemnify, defend (with counsel reasonably satisfactory to JBEs) and hold JBEs and their respective officers, agents, and employees harmless from any and all losses, costs (including reasonable attorneys' fees), liabilities, damages and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all third party claims that arise, out of any claim of infringement, misappropriation or unauthorized use of any patent, trade secret, copyright, or trademark in connection with any Products furnished or provided by Seller and its local dealers under this Agreement or any Purchase Order. Notwithstanding the foregoing, Seller is not responsible or liable for said infringement, and therefore not obligated to indemnify, if the infringement arises out of JBE's changes or modifications to the Products, or the coupling of said Products with other non-Seller products.

1.14 Either AOC or Seller may terminate this Agreement without cause by providing the other party with thirty (30) days prior written notice. If necessary, AOC and Seller will discuss payment and performance of any Purchase Orders outstanding at the proposed date of termination.

1.15 JBEs may terminate An active Purchase Order for cause if (1) the Product is rejected for nonconformance within twenty-one (21) days of delivery or (2) Seller and its local dealers are otherwise in material breach of the material terms of such Purchase Order or this Agreement and such nonconformance or breach is not cured within ten (10) days of written notice, or is not capable of cure. Whether or not any breach by Seller and its local dealers is capable of cure, or is cured, is within the reasonable discretion of the JBE who placed the Purchase Order.

1.16 Either party may terminate this Agreement for cause immediately if the other party fails or is unable to meet or perform any of its duties under this Agreement, and such failure is not cured within ten (10) days of written notice, or is not capable of cure. Whether or not any failure by the non-terminating party is capable of cure, or is cured, is within the sole discretion of the terminating party. If necessary, AOC, JBEs and Seller and its local dealers will discuss performance of any Purchase Orders outstanding at the date of termination.

1.17 JBE's obligations under a Purchase Order are subject to the availability of funds authorized for the purchase. Expected or actual funding may be withdrawn, reduced, or limited prior to the fulfillment of the Purchase Order. Upon written notice, JBEs may terminate a Purchase Order, in whole or in part, without prejudice to any right or remedy, for lack of appropriation of funds. Upon termination, JBEs will pay Seller and its local dealers for the Product delivered prior to the date of termination and services performed including delivery and installation prior to termination.

1.18 The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provision. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in the City and County of San Francisco.

1.19 All financial, statistical, personal, technical and other data and information which are designated confidential by the JBEs or Seller (each a "Disclosing Party"), and made available by the Disclosing Party to Recipient in order to carry out this Agreement or any Purchase Order, or which become available to Recipient in carrying out this Agreement or any Purchase Order ("Confidential Information") will remain the property of the Disclosing Party. Recipient shall protect the Confidential Information of the Disclosing Party from unauthorized use and disclosure and shall use at least the same degree of care, but no less than a reasonable degree of care, to safeguard the Confidential Information of the Disclosing Party as Recipient employs with respect to its own information of a similar nature. Recipient shall require that its employees, agents and subcontractors comply with the confidentiality restrictions of this Agreement. The obligations in this paragraph 1.19 will not restrict any disclosure pursuant to any applicable law or by order of any court or government agency (provided that Recipient shall first give prompt notice to the Disclosing Party of such order in such time as to permit the Disclosing Party to participate in the response to any such order) and shall not apply with respect to information that (1) is independently developed by Recipient without violating the Disclosing Party's proprietary rights as shown by Recipient's written records, (2) is or becomes publicly known (other than through unauthorized disclosure), (3) is disclosed by the owner of such information to a third party free of any obligation of confidentiality, (4) is already known by Recipient at the time of disclosure, as shown by Recipient's written records, and Recipient has no

obligation of confidentiality other than pursuant to this Agreement or any confidentiality agreements entered into before the Effective Date, (5) is rightfully received by Recipient free of any obligation of confidentiality, or (6) with respect solely to a particular disclosure, such disclosure is approved in writing by the Disclosing Party.

1.20 Neither AOC, JBEs nor Seller shall assign this Agreement, either in whole or in part, without the prior written consent of the other party in the form of a written Amendment signed by AOC and/or JBEs and Seller. Such consent shall not be unreasonably withheld. However, the parties agree that in the event JBEs are required by law, statute, or regulation to assign this Agreement to another government entity for administrative or other purposes Seller's consent is not required. In the event this situation arises, the affected JBE and/or AOC shall promptly inform Seller, prior to the actual assignment. This Agreement shall be binding upon and inure to the benefit of successors and assigns of the parties.

2. Seller Certification Clauses

2.1 Representations and Warranties. Seller certifies that the following representations and warranties are true:

(A) *Authority.* Seller has authority to enter into and perform its obligations under this Agreement. Seller is qualified to do business and is in good standing in the State of California.

(B) *Not an Expatriate Corporation.* Seller is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286.1, and is eligible to contract with the JBEs under this Agreement.

(C) *Sales and Use Tax Collection.* Seller collects and remits sales and use taxes as and to the extent required under the Revenue and Taxation Code.

(D) *No Gratuities.* Seller has not directly or indirectly offered or given any gratuities (in the form of entertainment, gifts, or otherwise), to any member, justice, judicial officer, judge, officer, employee, or agent of the AOC, or a JBE with a view toward securing this Agreement or securing favorable treatment with respect to any determinations concerning its performance under this Agreement.

(E) *No Conflict of Interest.* Seller has no interest that would constitute a conflict of interest under Public Contract Code sections 10365.5, 10410 or 10411; Government Code sections 1090 et seq. or 87100 et seq.; or California Rules of Court, rule 10.103 or 10.104, which restrict employees and former employees from contracting with certain JBEs.

(F) *No Interference with Other Contracts.* To the best of Seller's knowledge, executing this Agreement does not create a material conflict of interest or default under any of Seller's other contracts.

(G) *No Litigation.* No suit, action, arbitration, or legal, administrative, or other proceeding or governmental investigation is pending or, to Seller's knowledge, threatened against or affecting Seller or Seller's business, financial condition, or ability to perform under this Agreement, except any suit, action, arbitration, proceeding, or investigation that individually or in the aggregate with others will not or would not have a material adverse affect on Seller's business, the validity or enforceability of this Agreement, or Seller's ability to perform under this Agreement.

(H) *Compliance with Laws Generally.* Seller complies in all material respects with all laws, rules, and regulations applicable to Seller's business and services, and pays all undisputed debts when they come due.

(I) *Work Eligibility.* All personnel assigned to perform work under this Agreement are able to work legally in the United States and possess valid proof of work eligibility.

(J) *Drug Free Workplace.* Seller provides a drug-free workplace as required by California Government Code sections 8355 through 8357.

(K) *No Harassment.* Seller does not engage in unlawful harassment, including sexual harassment, with respect to any persons with whom Seller may interact in the performance of this Agreement, and Seller takes all reasonable steps to prevent harassment from occurring.

(L) *Non-discrimination.* Seller complies with the federal Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and California's Fair Employment and Housing Act (Government Code section 12990 et seq.) and associated regulations (Code of Regulations, title 2, section 7285 et seq.). Seller does not unlawfully discriminate against any employee or applicant for employment because of age (40 and over), ancestry, color, creed, disability (mental or physical) including HIV and AIDS, marital or domestic partner status, medical condition (including cancer and genetic characteristics), national origin, race, religion, request for family and medical care leave, sex (including gender and gender identity), and sexual orientation. Seller has notified in writing each labor organization with which Seller has a collective bargaining or other agreement of Seller's obligations of non-discrimination.

(M) *Domestic Partners, Spouses, and Gender Discrimination.* If this Agreement provides for total compensation of more than \$100,000, Seller is in compliance with Public Contract Code section 10295.3, which, subject to specified exceptions, generally prohibits discrimination in the provision of benefits between employees with spouses and employees with domestic partners, or discrimination between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discrimination between same-sex and different-sex domestic partners of employees or between same-sex and different-sex spouses of employees.

(N) *National Labor Relations Board Orders.* If this Agreement provides for making any purchase of goods or services from a private entity, except for a purchase of goods by credit card for an amount less than \$2,500 from any one Seller (but not to exceed in the aggregate \$7,500 per year from the Seller), no more than one, final unappealable finding of contempt of court by a federal court has been issued against Seller within the immediately preceding two-year period because of Seller's failure to comply with an order of a federal court requiring Seller to comply with an order of the National Labor Relations Board. Seller swears under penalty of perjury that this representation is true.

(O) *Sweatfree Code of Conduct.*

- No apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the JBEs under this Agreement have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Seller further declares under penalty of perjury that it adheres to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code section 6108. This certification is made under penalty of perjury.

- Seller cooperates fully in providing reasonable access to Seller's records, documents, agents, and employees, and premises if reasonably required by authorized officials of the Department of Industrial Relations, or the Department of Justice to determine Seller's compliance with the requirements under this section and shall provide the same rights of access to the JBEs.

(P) *Discharge Violations.* Seller is not in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; or subject to any cease and desist order not subject to review issued under Water Code section 13301 for violation of waste discharge requirements or discharge prohibitions. Seller has not been finally determined to be in violation of provisions of federal law relating to air or water pollution.

(Q) *Use of Postconsumer Material.* If this Agreement provides for the purchase and sale of goods specified in Public Contract Code section 12207 (for example, certain paper products, office supplies, mulch,

glass products, lubricating oils, plastic products, paint, antifreeze, tires and tire-derived products, and metal products), and the percentage of Seller's postconsumer material in these goods cannot be verified by reference to a written advertisement, including, for example, a product label, a catalog, or a manufacturer or Seller website:

- Seller has delivered a declaration to the JBEs specifying the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code section 12200 in goods offered or sold to the JBEs, regardless of whether the goods meet the requirements of Public Contract Code section 12209.1;

- Under penalty of perjury, the declaration is true and correct and will remain so until Seller delivers any amendment of the current declaration to the JBEs, in which case the current declaration as amended will be true and correct.

3. Loss Leader Prohibition

If this Agreement involves the furnishing of equipment, materials, or supplies, Seller shall not sell or use any article or product as a "loss leader" as defined in Business and Professions Code section 17030.

4. Union Activities Certification Requirement

As required under Government Code sections 16645-16649, if this Agreement provides for total compensation in excess of \$50,000 to Seller:

- a. Seller shall include with any request for cost reimbursement from the JBE's funds a certification that the Seller is not seeking reimbursement for costs incurred to assist, promote, or deter union organizing; and

- b. Seller shall not:

- A. Assist, promote, or deter union organizing by employees performing work under this Agreement;

- B. Use the state's or JBE's funds received under this Agreement to assist, promote, or deter union organizing; or

- C. For any business conducted under this Agreement, use any property of the JBEs to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote, or deter union organizing, unless the JBE's property is equally available to the general public for holding meetings.

If Seller incurs costs, or makes expenditures to assist, promote, or deter union organizing, Seller shall maintain records sufficient to show that no reimbursement from the JBE's funds has been sought for these costs, and provide those records to the California Attorney General upon request.

5. Federally-funded Orders

If any Purchase Order under the Agreement is funded in whole or in part by the federal government, then:

- It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made:

- This Agreement is valid and enforceable only if sufficient funds are made available to the JBEs by the United State Government for the fiscal year in which they are due and consistent with any stated programmatic

purpose. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner;

- The parties mutually agree that if the Congress does not appropriate sufficient funds for any program under which this Agreement is intended to be paid, this Agreement shall be deemed amended without any further action of the parties to reflect any reduction in funds.
- The parties may invalidate this Agreement under the termination for convenience or cancellation clause (providing for no more than 30 days' notice of termination or cancellation), or amend the Agreement to reflect any reduction in funds.
- Exemptions from the above requirements may be granted if the JBEs can certify in writing that federal funds are available for the acquisition during the term of any ordering document under this Agreement.

6. DVBE Participation Certification

If Seller made a commitment to achieve disabled veterans business enterprise participation, Seller shall within 60 days of receiving final payment under any ordering document under this Agreement (or within such other time period as may be specified elsewhere in this Agreement) certify in a report to the JBEs: (1) the total amount the prime Seller received under any Purchase Order under this Agreement; (2) the name and address of any disabled veterans business enterprises (DVBE) that participated in the performance of any ordering document under this Agreement; (3) the amount each DVBE received from the Seller; (4) that all payments under any ordering documents under this Agreement have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation.

7. Darfur Act.

If Seller has had business activities or other operations outside of the United States within the previous three years, Seller must complete the Darfur Contracting Act Certification attached as Attachment A and submit the completed certification with Seller's executed Agreement.

8. Ownership of Results

- a. *Orders Funded with Grant Funds.* If this Agreement provides compensation to Seller under a project funded through a grant, title to all expendable and non-expendable personal property with a value of \$500 or more purchased with JBE funds shall vest automatically and without further action of the parties with the JBE, effective at the conclusion of the project. If Seller provides written certification to the JBEs that the property will continue to be used for grant-related purposes and the JBEs approve such certification in writing, the JBEs may permit title to all such property to remain with Seller in accordance with the JBE's written instructions. Seller must await specific written instructions from the project manager regarding any transfer of title or disposition.

9. Audit and Records

- a. *Audit.* Seller shall allow the JBE's designees and the JBEs to review and audit Seller's documents and records relating to this Agreement, subject only to a lawyer's duty of

confidentiality owed to a represented party. Seller shall correct errors and deficiencies by the 20th day of the month following the review or audit.

- b. During the course of an Audit, under no circumstances shall Seller be required to give access to confidential information belonging to other customers, nor access to its overhead costs, including but not limited to labor costs, so long as it certifies to JBEs that it follows all applicable state and federal labor laws. Seller shall make good faith efforts to provide data that demonstrates its compliance with the terms of the Agreement without violating confidentiality obligations it has with other customers.
- c. *Ownership.* The JBEs are the exclusive owner of all materials collected and produced in connection with the Services to the extent that materials or finished Products are paid for. Upon request at any time, subject only to the duty of confidentiality owed to a represented party, Seller shall give original materials to the JBEs or to another party at the JBE's direction so long as all invoices are fully paid forty-five (45) days from receipt of invoices. Seller shall maintain all other materials in an accessible location and condition for a period of not less than four years after the later of:
 - Seller's receipt of final payment under any Purchase Order under this Agreement; and
 - The JBE's resolution with Seller of the findings of any final audit.
- d. *Copies.* Seller may retain copies of any original documents Seller provides to the JBE.

10. Notices.

All communication and/or notices by or permitted under this Agreement shall be in writing, sent via First Class Mail, addressed to:

Seller:

AOC:

Kimball Office, Inc.
Attention: President
1600 Royal Street
Jasper, IN 47549 94104

Judicial Council of California
Administrative Office of the Courts
Attention: Michael Quinones
455 Golden Gate Avenue
San Francisco, CA 94102-3688


With a copy to:
Kimball International, Inc.
ATTN: Legal Department
1600 Royal Street
Jasper, IN 47549

This Agreement referenced herein constitutes the complete, exclusive, and final statement of the terms and conditions of the Agreement between the parties, superseding all prior negotiations, written or oral. Terms and conditions contained in any Purchase Orders that JBEs use to order the Products or contained in any acknowledgment form or invoice issued by Seller which are inconsistent with, or in addition to, the terms and conditions of this Agreement shall be invalid. Except as otherwise stated, no changes to this Agreement will be binding upon the parties unless incorporated into a written amendment signed by AOC and Seller. Notwithstanding the foregoing, however, the following are excepted (1) changes to the parties' contact information set forth on Notices; and (2) changes to the discount schedule, for the sole purpose of adding or

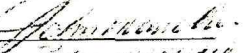
deleting Product lines, which may be accomplished upon mutual agreement of the parties and confirmed by written notification from Seller to AOC. The invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement.

IN WITNESSES WHEREOF, AOC and Seller have executed this Agreement as of the final day and year written below.

AOC:
Judicial Council of California
Administration of the Courts

By: 
Name: Grant Walker
Its: Senior Manager, Business Services

Seller:
Kimball Office, Inc.

By: 
Name: Kimball Office, Inc.
Its: Kimball Office, Inc.

ATTACHMENT A
DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal to AOC, please complete only one of the following three paragraphs (via initials for Paragraph #1 or Paragraph #2, or via initials and certification for Paragraph #3):

1. _____
Initials

We do not currently have, or we have not had within the previous three years, business activities or other operations outside of the United States.

OR

2. _____
Initials

We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from AOC to submit a bid or proposal pursuant to Public Contract Code section 10477(b). *A copy of the written permission from your court is included with our bid or proposal.*

OR

3. X
Initials + Certification below

We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.	<i>Federal ID Number</i>
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Company/Vendor Name (<i>Printed</i>)	
By (<i>Authorized Signature</i>)	
Printed Name and Title of Person Signing	
Date Executed	Executed in the County of _____ and State of _____

ATTACHMENT B

PRODUCTS AND PRICING

1. Pricing of all Products to JBEs shall be current list price in effect at time of order entry less the following applicable discount:

<u>Products</u>	<u>Per Order Dollar Value by each product group</u>	<u>Discount</u>
Kimball Office Case goods and Tables, and Seating	\$1 - \$1,250,000	60%
Kimball Office Systems (excluding Kwik Office)	\$1 - \$390,625	68%
	\$390,626 - \$1,000,000	70%
	\$1,000,001 - \$1,785,714	72%
Metal Filing and Storage (excluding Kwik Office)	\$1 - \$273,973	63.5%

2. Installation is not included in the pricing provided in this Agreement.
3. New Seller's products and programs will be added to this Agreement according to pricing mutually agreed to by AOC and Seller.

KIMBALL OFFICE
LIFETIME WARRANTY
Attachment C

Seller warrants that its products sold hereunder are free from defects in materials and workmanship given normal use and care for a lifetime of single-shift service. Normal use is defined as the equivalent of a single-shift, 40-hour work week. In the event that use of a product exceeds normal use, the warranty period for such product will be reduced to 12 years, and the warranty for the items that fall under different warranty limitations, as listed below, will be reduced to one-third of the original warranty. At its option, Seller will repair or replace with comparable product, excluding Bingo Seating, free of charge to the JBEs, any product, part or component manufactured and/or sold in North America after November 6, 2000, and after January 21, 2002 for Skye Seating, which fails under normal use as a result of such defect. This warranty is made by Seller to the original JBE for as long as the original JBEs own and use the product.

Seller warrants that its Bingo products are free from defects in materials and workmanship given normal use and care for **five years of single shift service**. At its option, Seller will repair or replace with comparable product, free of charge to the JBEs, any product, part or component manufactured and/or sold in North America after June 18, 2001, which fails under normal use as a result of such defect. This warranty is made by Seller to the original JBEs for as long as the original customer owns and uses the product.

Warranty periods are limited for certain products and parts as follows:

10-Year Warranty (from the date of manufacture) · Seating mechanisms · Veneers

5-Year Warranty (from the date of manufacture) · Fit lounge and headrest · High-wear parts · Pneumatic lifts
· Electrical/power products · Casters and glides · Inflatable lumbar supports · Lighting · Desk sets · Monitor arms
· Keyboard kits · Covering materials (such as foam, most textiles, laminate, thermofoil, and decorative trim)

3-Year Warranty (from the date of manufacture) · Wool felt · Custom products · Carnegie Fabrics

This warranty does not cover:

- Naturally occurring variations and differences in grain character and color between and within wood species
- Natural variations in marble and leather
- C.O.M. (Customer's Own Material) or any other non-standard Kimball Office material specified by the customer, including attributes such as appearance, durability, quality, colorfastness, etc.
- Knoll/Textiles, Maharam, and Mayer Fabrics alliance programs
- Alterations to the product not expressly authorized by Kimball Office
- Products considered to be of consumable nature (such as bulbs, light ballast, and certain electronic products)

This warranty is only valid if the products are given normal and proper use, and installed or used in accordance with Seller's installation and/or application guidelines, and installed by an authorized Seller's dealer or agent. Seller assumes no responsibility for repairs to products sustaining damages resulting from user modification, attachments to a product, misuse, abuse, alteration, or negligent use of our products.

Facilities managers and users are urged to make periodic inspections to look for damages or signs of structural fatigue incurred in daily handling and use. Examinations must include the structural joints, corner blocks, screws

or fasteners, welds, and any other points of stress. If any problems are found, the product should be taken out of service.

EXCEPT AS EXPRESSLY SET FORTH ABOVE, THERE ARE NO OTHER WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. WE EXCLUDE AND WILL NOT PAY CONSEQUENTIAL OR INCIDENTAL DAMAGES UNDER THIS WARRANTY.