Form C

EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS, AND SOLUTIONS REQUEST

Company Name: Motion Industries, Inc.

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
3.23 and 3.23.2 (page 8)	Sole Source of Responsibility; Vendor use of sub-contractors in sourcing or delivering equipment/product/services	Motion requests that the first two sentences of Section 3.23 be deleted, and that Section 3.23.2 be deleted in its entirety. Motion cannot be held liable for the acts of its suppliers, manufacturers or vendors, as Motion does not have control over their actions and processes.	Sourcewell accepts
3.30 (page 10)	Industry Standards	Motion requests that this section be revised so that it reads as follows: "All services will be provided according to generally understood and accepted industry standards; however, all items/goods supplied pursuant to this Contract are subject to the terms of written warranties provided by the manufacturer of each item/good."	Sourcewell accepts
3.32 (page 10)	Compliance with laws and standards	Motion requests that this section be revised so that it reads as follows: "Proposer will use reasonable commercial efforts to ensure that all items supplied on this Contract shall comply with any current applicable safety or regulatory standards or codes."	Sourcewell accepts
3.34 (pages 10-11)	Warranty	Motion requests that this section be revised so that it reads as follows: "Proposer shall pass through all applicable warranty benefits to Sourcewell/Sourcewell member from the applicable manufacturer of the product, equipment or supply."	Sourcewell accepts
3.35 (page 11)	Additional Warrants	Motion requests that the language in this section be replaced with the following: "Proposer is primarily a distributor of products manufactured by other companies. As such, Proposer generally does not design, manufacture, alter, modify, test, inspect, package or provide instructions or warnings with respect to the products sold hereunder.	Sourcewell accepts

		Proposer itself makes NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, or other warranties of quality, WHETHER EXPRESS OR IMPLIED for the products sold hereunder. Any product warranty extended to Sourcewell/Sourcewell member is that of the manufacturer, and not that of Proposer. Proposer shall assist Sourcewell/Sourcewell member against manufacturers in connection with any non-conformities during manufacturer's warranty period, if any.	
5.51 (page 18)	Shipping	Motion requests that the language in this section be replaced with the following: "Sourcewell and Sourcewell member recongnize Vendor as a distributor of product only and not the manufacturer of goods. Therefore, in that capacity, Sourcewell and Sourcewell member understand that Vendor does not normally create or perform the packaging of goods outside of that performed by the manufacturer. In the event that Vendor does pack goods for delivery, Vendor shall pack the goods and materials to prevent damage and deterioration."	Sourcewell accepts
5.52 (page 18)	Conforming Products	Motion requests that the phrase "use reasonable commercial efforts to" be inserted between "The Vendor must" and "deliver Contract-conforming".	Sourcewell accepts
6.26 (page 23)	Insurance - Subcontractors	Motion requests that the language in this section be replaced with the following: "Vendor shall cause its subcontractors (which shall specifically exclude manufacutrers, suppliers and vendors) to abide by the minimum insurance requirements set forth above in this section.	Sourcewell accepts
7.2 (page 25)	Governing Law	Motion requests that the language in this section be deleted. Motion requests the right to negotiate thee items with individual purchasers/members.	Sourcewell does not accept as it applies to the relationship with Sourcewell, but accepts as it applies to individual purchasers/ members.
7.5 (page 26)	Performance Bond	Motion requests that this section be deleted in its entirety.	Sourcewell accepts

7.9 (page 26)	Audits	Motion requests that the phrase " a sampling of" be inserted befor the phrase "all order and invoicing documentation" in the second sentence of this section. With the number of locations participating, it would be time consuming, burdensome and costly for Proposer to gather and present all order and invoicing documentation related to all member purchases under the Contract.	Sourcewell accepts
7.14, 7.17 (pages 26, 28)	Contract Termination for Cause and without Cause	Motion requests that the provisions of these sections be made mutual.	Sourcewell accepts
8.5 and 8.5.1 (page 28)	Jurisdiction	Motion requests that these sections be deleted in their entirety.	Sourcewell does not accept
8.10 (page 29)	Patent and Copyright Infringement	Motion requests that the language of this section be replaced with the following: "Vendor shall provide an indemnity for intellectual property claims based on the intellectual property rights owned by Vendor, but cannot provide a direct copyright, trademark or patent indemnity for the goods supplied pursuant to the resulting contract, as Vendor does not manufacture the goods. Vendor can agree to use reasonable commercial efforts to assist the customer in processing any infringement claim against the applicable manufacturer."	Sourcewell accepts
8.18 (page 30)	Force Majeure	Motion requests that the next to last sentence in this section be deleted.	Sourcewell accepts
8.23 (page 30)	Material Suppliers and Sub-Contractors	Motion requests that this section be revised to read as follows: "The awarded Vendor will endeavor to supply the names and addresses of sourcing suppliers and sub-contractors as part of the purchase order when requested by Sourcewell or the Sourcewell member." Additionally, please note that country of origin information is provided by Vendor by its manufacturers of the applicable merchandise and Vendor will endeavor to pass this information on to Sourcewell and the Sourcewell members to the extent available. Notwithstanding the foregoing, Vendor does not independently verify the accuracy of country of origin information. Sourcewell and SOurcewell member should not rely on country of origin	Sourcewell accepts

		information for purposes of complying with any laws or regulations.	
8.41 (page 34), Appendix D	Record Retention Requirements	Motion requests that the retention period in Section 8.41 and as described in 44 CFR 13.36(i)(11) in Appendix D be reduced from three (3) years to two (2) years.	Sourcewell does not accept
8.43 (page 34)	Buy American Provision Compliance	Motion requests that Buy American compliance be revised as follows. As noted above, Vendor is able to supply country of origin information supplied by the manufacturer fo the applicable merchandise, and where requested by Sourcewell or the Sourcewell member at the time of order on the terms set forth in Motion's exception to Section 8.23 above.	Sourcewell accepts
Form D (page 41)	Sole Source of Responsibility	Motion requests that the last sentence of Form D be deleted in its entirety.	Sourcewell accepts
New Section	Limitation of Liability	Motion requests that the following new limitation of liability section be added to any awarded contract: "NEITHER SOURCEWELL, SOURCEWELL MEMBERS NOR VENDOR SHALL BE LIABLE TO THE OTHER PARTIES FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR LOSS OF BUSINESS), WHETHER KNOWN OR UNKNOWN, ARISING FROM OR RELATED TO THIS CONTRACT OR ANY PURCHASE ORDER."	Sourcewell accepts

Proposer's Signature: _____ **Date:** 11-30-18

Sourcewell's clarification on exceptions listed above:

LEGAL
HCP
Initials
Jan. 16, 2019
Date

Contract Award
RFP #121218

FORM D

Formal Offering of Proposal

(To be completed only by the Proposer)

FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES

In compliance with the Request for Proposal (RFP) for FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: Motion Industries, Inc. Date: 11-30-18

Company Address: 1605 Alton Road

City: Birmingham State: AL Zip: 35210

CAGE Code/DUNS: 5U072 007960446

Contact Person: Anthony Chapman Title: Director of Government Sales

Authorized Signature: Donald B Hand

(Name printed or typed)

DocuSign Envelope ID: D4C8F0DC-FD43-435C-871D-F78AB52494BA

FORM E

CONTRACT ACCEPTANCE AND AWARD

(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 121218-MII

Proposer's full legal name: Motion Industries, Inc.

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be January 25, 2019 and will expire on January 25, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489...
SOURCEWELL DIRECTOR OF OPERATIONS AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

DocuSigned by:
Chad Coauette
7E42B8F817A64CC...
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coauette
(NAME PRINTED OR TYPED)

Awarded on January 23, 2019

Sourcewell Contract # 121218-MII

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Motion Industries, Inc

Authorized Signatory's Title VP Corporate Accounts

VENDOR AUTHORIZED SIGNATURE

Donald B Bland
(NAME PRINTED OR TYPED)

Executed on 1/29, 2019

Sourcewell Contract # 121218-MII

Form F

PROPOSER ASSURANCE OF COMPLIANCE

Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.

2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.

3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.

4. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.

5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

7. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: Motion Industries, Inc.

Address: 1605 Alton Road

City/State/Zip: Birmingham, AL 35210

Telephone Number: 855-223-4551

E-mail Address: GovSales@Motion-Ind.com

Authorized Signature:

Authorized Name (printed): DONALD B BAND

Title: VP Corporate Accounts

Date: 11-30-18

Notarized

Subscribed and sworn to before me this 30th day of November, 2018

Notary Public in and for the County of Jefferson State of AL

My commission expires: May 7th 2019

Signature: Patricia G Chandler

Form P

PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name: Motion Industries, Inc.

Questionnaire completed by: Anthony Chapman, Director of Government Sales and Carolyn Srp, State and Local Contracts Manager

Payment Terms and Financing Options

1) What are your payment terms (e.g., net 10, net 30)?

   1% 10 net 30

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

   Currently, Motion Industries leasing options include vending machine equipment as part of our VMI services. Vending machines provide point-of-use inventory management for industrial, safety, and other supplies. Customers scan a badge or enter a pin number to access the vending solution and issue items. MI account representatives will meet with Sourcewell members interested in VMI services to discuss their individual needs and the variety of VMI services available including vending machines and their leasing and financing options.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.

   Order placement method will be determined by the Sourcewell member preference. Orders can be placed via a variety of methods including phone, fax, e-mail, Motion's website, www.MotionIndustries.com, eProcurement integration (EDI or XML), or even with walk-in orders. The majority of orders are processed by the customer's local Motion Industries branch using our sophisticated order processing system.

   Each Sourcewell member will be assigned an individual Motion Industries account number that is linked to the Sourcewell contract pricing. Regardless of the method used to place the order, the member will receive the Sourcewell contract price and benefits.The transaction will be tracked for the Sourcewell quarterly sales reporting. Detailed quarterly sales reports are generated using individual order transaction data including member information, part and pricing information.

   All branches are owned and operated by Motion Industries and we do not use a dealer network. All orders are processed by MI branch locations and all order transactions are reported with information generated from our internal point of sale system. MI currently successfully generates quarterly sales reports for Sourcewell for contract #011614-MII and we meet all reporting criteria.

4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?

Yes, Motion Industries accepts P-Cards, Visa, MasterCard, American Express, and Discover. There are no additional costs for using any of these purchasing methods.

Warranty

5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

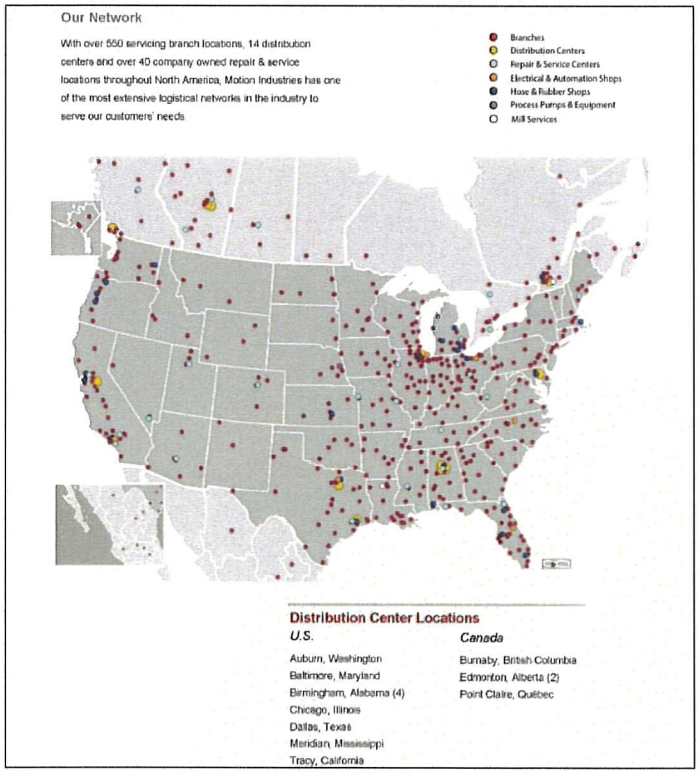
- Do your warranties cover all products, parts, and labor?
- Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?

Motion Industries is a distributor of products and not a manufacturer. The original manufacturer's warranty will apply to products, if applicable. Motion Industries will assist Sourcewell members with claims to the original product manufacturer upon request.

If service was performed by a Motion Industries location, the warranty will be dependent upon the part and service performed. The warranty, if applicable, will be presented to and agreed upon with the Sourcewell member prior to any work being performed.

- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?

MI has a vast United States branch network that will assist Sourcewell members with any warranty and repair issues. MI's has over 550 branch operations and over 40 service center locations that make up our customer service network. Our highly trained customer service representatives are available to assist Sourcewell members with any product questions or warranty issues.



- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?

  MI typically passes on to the original equipment manufacturer any warranty service. MI will; however, upon request assist the customer in processing warranty claims against the original equipment manufacturer on the terms described below.

  If service was performed by a Motion Industries location, the warranty will be dependent upon the part and service performed. The warranty, if applicable, will be presented to and agreed upon with the Sourcewell member prior to any work being performed.

  Motion Industries Warranty Statement:

  Proposer is primarily a distributor of products manufactured by other companies. As such, Proposer generally does not design, manufacture, alter, modify, test, inspect, package or provide instructions or warnings with respect to the products sold hereunder. Proposer itself makes NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, or other warranties of quality, WHETHER EXPRESS OR IMPLIED for the products sold hereunder. Any product warranty extended to Sourcewell/Sourcewell member is that of the manufacturer, and not that of Proposer. Proposer shall assist Sourcewell/Sourcewell member against manufacturers in connection with any non-conformities during manufacturer's warranty period, if any.

- What are your proposed exchange and return programs and policies?

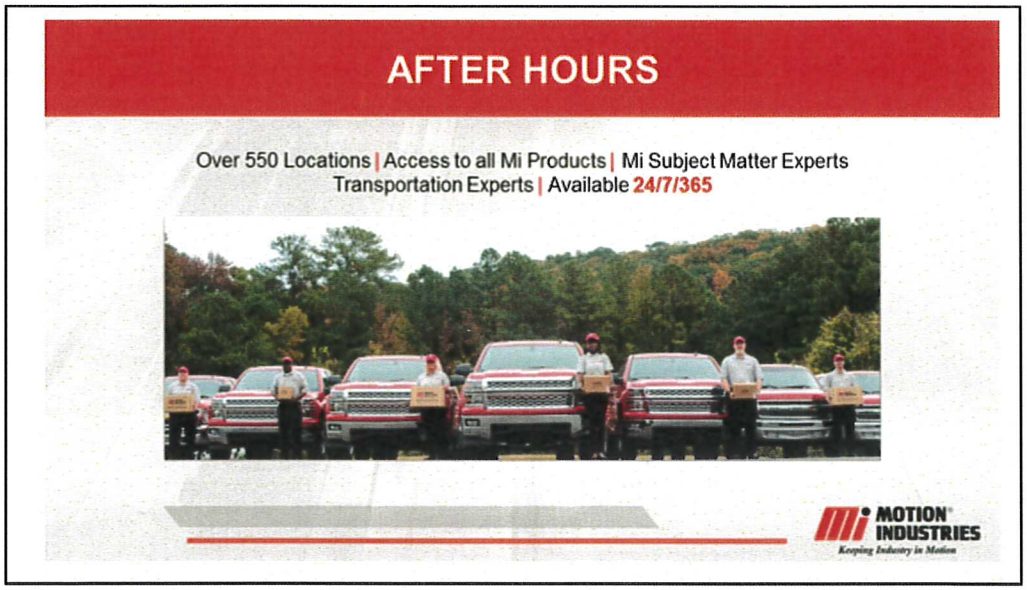
  MI allows full credit product returns on Motion core products if they have not been installed, are undamaged, unaltered, in the original and unopened box and are returned within 30 days of purchase. Beyond this thirty-day period, restocking and handling charges may apply, depending on the product and its condition. An approved Return Goods Authorization (RGA) is required for all returns. MI customer service representatives will assist Sourcewell members with any returns and notify customer of any applicable restocking charges.

  For non-core products, special-order products, or unusual quantities returns are governed by the manufacturer's return policy. We are not authorized to change or adjust their policy in any fashion. The local branch will handle product returns with the manufacturers and restocking charges may apply.

6) Describe any service contract options for the items included in your proposal ("on call", retainer, etc.).

In regard to On Call service, MI realizes that the Sourcewell membership doesn't only need MI's product and services between the hours of 8am to 5pm. Member's facilities or equipment may experience a failure at any time and that is when they need immediate product purchasing capabilities. For this reason, MI maintains 24 hour service, 365 days per year. Each branch has a 24 hour "after hours" service number that can be called by customers at any time. Once an afterhour's call is made, Motion is capable of responding immediately to the customer's needs. MI's operating system, eCOS, allows every branch to view their inventory and the inventory of other MI branches and distribution centers remotely. This equates to a quick and reliable after hours purchasing service experience for Sourcewell members. Additionally, Motion has direct links to many of our vendors that allow every branch to view the inventory status of our major manufacturers. In the MRO distribution industry, customer breakdowns and emergencies are part of everyday life. Proper planning, logistics, communication tools, highly trained associates, and world class name brand products ensure that emergencies have minimal impact on Sourcewell members' operations.

Typically, MI branches do not charge for after-hours service unless it is contractually negotiated or the manufacturer/supplier charges a fee. In this case, MI will pass along any applicable fees after notification and agreement of the charge by our customer.

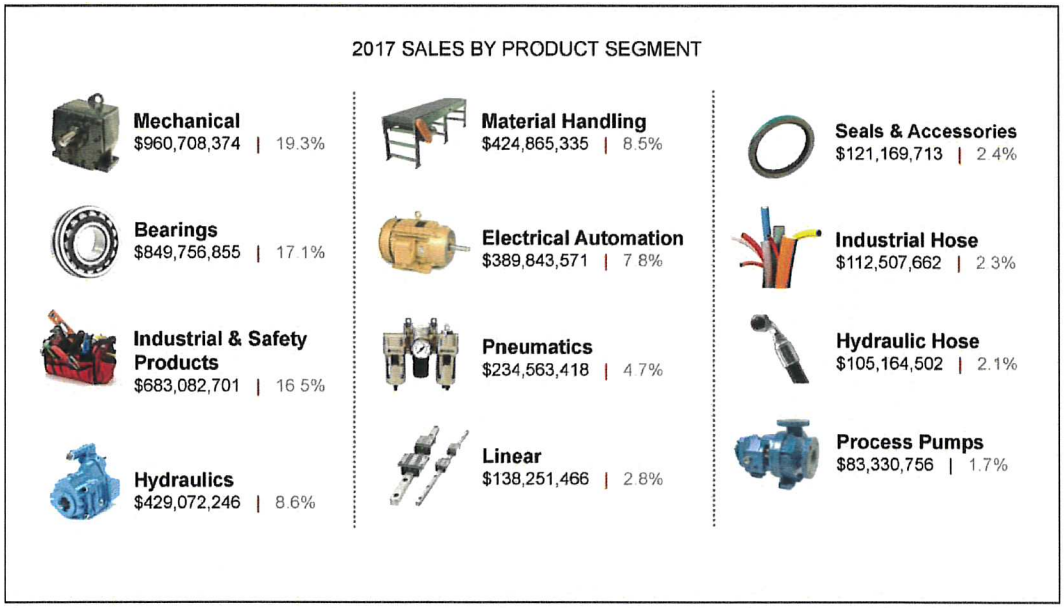


Pricing, Delivery, Audits, and Administrative Fee

7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

MI distributes industrial products, replacement parts and related supplies including: Bearings, Linear Motion Products, Mechanical Power Transmission, Electrical & Industrial Automation, Electrical Specialties Group, Industrial Hose, Hydraulic Hose, Process Pumps and Equipment, Pneumatics, Hydraulics, Seals & Accessories, Safety Products, Industrial Supply Products, Belting, and Material Handling.

The below graphic illustrates MI's product segments



Please see Attachment A for the Sourcewell Line Card

In addition to distributing the MRO brands our customers count on, as part of our value added services MI provides repairs and shop services for the products and equipment we sell. MI keeps your industry in motion by providing professional services to customers with over 40 strategically located repair and service facilities throughout the United States and Canada, providing 24/7/365 customer service. MI's repair services include:

- **Hydraulic & pneumatic repair**
- **Electrical drive systems & repair**
- **Hose, gasket & belt fabrication**
- **Electrical panel fabrication**
- **Hydraulic power unit fabrication**
- **Product modification services**
- **Gearbox fabrication & repair**
- **Process pump fabrication & repair**

The below graphic illustrates a list of MI's Service Center (Shop) services

SERVICE CENTER CAPABILITIES

FLUID POWER SERVICES
- Power Unit Fabrication
- Tube Bending
- Hydraulic Pump & Valve Repair
- Servo & Proportional Valve Repair
- Hydrostatic Transmissions
- Single Stage Cylinder Repair
- Multi-Stage Cylinder Repair
- Fluid Power Component Repair
- Field: Repair & Troubleshooting
- NFPA Cylinder Fabrication
- SMC Valve Build
- Pneumatic Tool Repair
- Hydraulic Tool Repair
- Radial Piston Motor Repair
- Eaton Hydrostat Build Center
- Authorized Eaton/Vickers Repair
- Authorized Staffa/Kawasaki Repair Center
- Radial Piston Motor Repair

HOSE SERVICES
- Hydraulic Hose Assemblies
- Teflon Hose Assemblies
- Metal Hose Assemblies
- Plastic Hose Assemblies
- Industrial Hose Assemblies
- Rubber Hose Assemblies
- PVD Hose Assemblies
- Cleaning & Tagging
- Tube Fittings & Adapters
- Gaskets
- Swage & Crimp
- Band & Clamp
- Field Service
- Repair & Test
- Large I.D. Swaging Testing
- Expansion Joints
- Aeroquip Premier
- Kitting

ELECTRICAL/AUTOMATION SERVICES
- Industrial PC Boards
- Remanufactured PC Boards
- Calibration
- Repair Adjustable Frequency Drives
- Repair Chart Recorders
- Repair Controllers / PLCs
- Repair AC/DC Drives
- Repair Industrial Power Supplies
- Repair Motion Controls
- Repair Process Controls
- Repair Circuit Breakers
- Repair Servo Systems
- Repair Timers & Counters
- Electrical Field Service
- Electrical Panel Fabrication
- Electric Tool Repair
- Automation & Electrical Systems Design
- Electric Motor Repair
- Electric Motor Warranty Service
- Electric Motor Modifications
- Electromechanical Brake/Clutch Repair
- Electric Magnet Repair
- Specialty Coil Manufacture
- Failure Analysis
- Complete Part Refurbishment

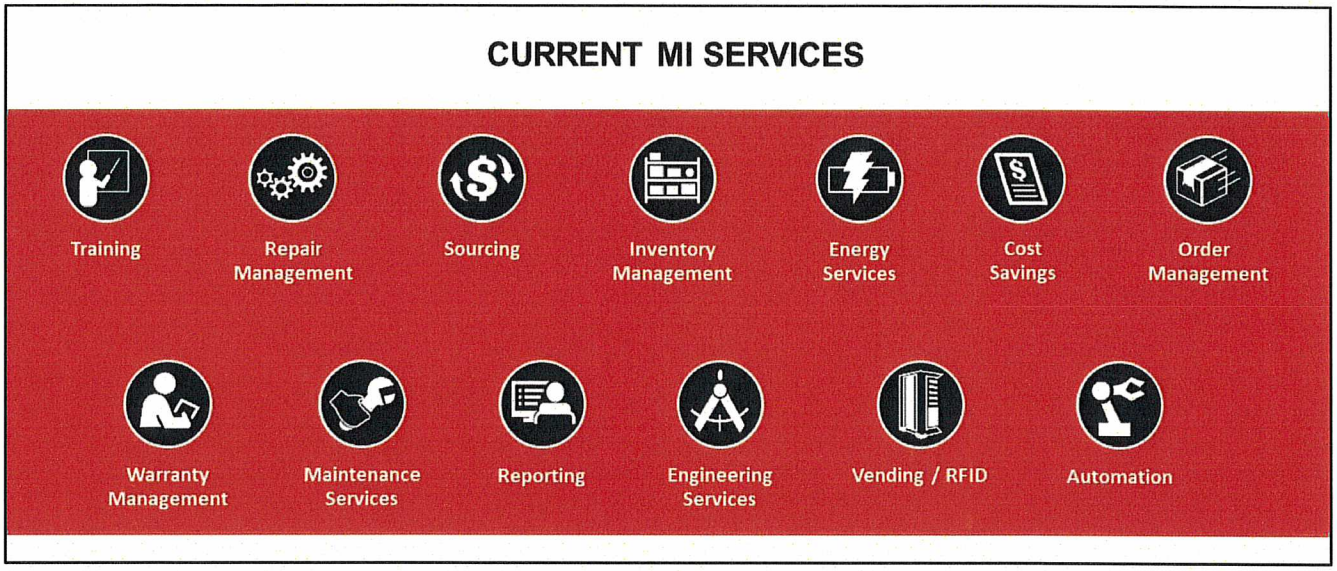
PROCESS PUMPS
- Centrifugal Pump Repair
- Gear Pump Repair
- Diaphragm Pump Repair
- Turbine Pump Repair
- Pump Fabrication
- Pump & Valve Repair
- Pump Assembly
- System Analysis / Design
- Custom Mobile Pumping Carts
- Impeller Trimming / Balancing
- Pump Packages with Base Plates

MECHANICAL SERVICES
- Gearbox Repair
- Clean Room Gear Reducer Assembly
- Universal Drive Shafts Assembly/Repair
- Gear Reducer Repair
- Keyways & Set Screws
- Mill Drive Shaft Build
- Mechanical Variable Speed Drives
- Clutch & Brake Repair
- Blowers & Fans
- Feeders
- Hoist Repair
- Linear Shafting & Rail Cutting
- Field: Shaft Alignment
- Field: Vibration Analysis
- Field: Gearbox Installation & Repair
- Conveyor Belting
- Tool Repair
- PIV Speedcon Gearbox Repair
- Dynamic Balancing
- Press Work
- General Machine Shop Service

BELTING SERVICES
- V-Guiding/T-Cleats
- Heavy & Lightweight Conveyor Belt Splicing
- Custom Belt Fabrication
- Steel Cord Belting
- Punching for Elevator Buckets
- Pulley Lagging
- Chute/Cyclone/Pipe/Wear Lining
- Conveyor Design
- Mechanical lacing and endless splices
- Complete belting and conveyor system inspections

In addition to shop services, MI offers other services that make us unique in the industrial distribution industry. MI offers training, warranty management (ART), vendor managed inventory (VMI), vending and RFID, field maintenance service, energy services, engineering services, automation, and other services applicable to the products we sell and our customers' needs.

The below graphic illustartes additional MI Services



8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Motion's pricing methodology for Sourcewell members is a list price, discount down pricing model. All products have a discount range applied to the current list price by product category. A detailed list of product categories and their corresponding discounts is included in our pricing proposal. Since our offering is so large, we are submitting a sample market basket for the products in these categories. This file is a sample only and these prices are subject to change as list price increases; however, the discount ranges will remain the same.

Motion's list prices are updated periodically depending on manufacturer price increases. Motion publishes this list price on our website Motion Industries.com and it represents the price paid by the general public for products when purchasing from MI without an approved account of credit or contractual relationship.

Motion is also offering a discount on services and fee based training.

9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

MI proposes a discount of 10% to 65% from current list price. The discount range Motion presents in this proposal is extremely competitive and is broken down throughout the product categories. As detailed in our previous response to the NJPA Power Transmission contract, we would like to use bearings as an example of the diversity within certain product groups within power transmission categories which effect the list price due to variances in the product engineering and application.

There are many types of Bearings manufactured by different suppliers. Being the largest industrial distributor of Bearings in the world, MI understands that even a small deviation in the part number for a Bearing can drastically change the purpose, performance, configuration, and price of that Bearing. Within the Bearing category, there are multiple configurations of balls, rollers, plain, sealed, shielded, open, lubrication type, inner/outer race and the cage. Each of these categories reflects a different cost

structure as it pertains to the engineering configuration. If MI were to apply a single, standard discount level across all Bearing types, the customer would end up paying too much for some Bearing products. That is why MI is providing a range discount from list structure per category so the customer will receive the maximum value from their purchase. The MI system will allow a discount to be attached to each individual Product Group Category (PGC) down to the 4th level of product identification. This will ensure that Sourcewell customers will always receive a competitive discount per category and not just a random discount across all products in a broad category.

MI's offering also includes a discount on shop services and fee based training. Shop services will be offered at a 5% discount and fee based training will be offered with a 10% discount that does not include training equipment.

10) The pricing offered in this proposal is

_____a. the same as the Proposer typically offers to an individual municipality, university, or school district.

_____b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

__X_____c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

_____d. other than what the Proposer typically offers (please describe).

MI's feels our pricing offered in the proposal is better than typically offered to GPO's, cooperative procurement organizations, and state purchasing departments in the government, education, and non-profit market segments.

11) Describe any quantity or volume discounts or rebate programs that you offer.

MI is will offer volume rebates or volume sales discounts to Sourcewell members depending upon the level of sales commitment by the individual members. Sales through the Sourcewell contract will be tracked by individual agencies and volume rebates or discounts may be initiated depending on total volume of sales by member. MI understands the Sourcewell contract price is a ceiling price and based upon customer sales, prices can be adjusted to meet the local market as well as volume rebates and discounts applied depending on negotiations with individual members.

12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

As well as being an industrial distributor, MI is a sourcing company that utilizes our logistical expertise and strong position in the marketplace to meet the ever changing requirements of our customers. MI sources from over 20,000 different manufacturers/suppliers annually. If a customer needs a product that may not be a coded item within our system, and it falls within our core competencies, we will be happy to source that product for our customer. The unique ability to thoroughly understand facilities MRO and source hard to identify or hard to find items is where MI's longevity and vast experience in the industrial distribution space shines.

If a Sourcewell customer needs a product that falls within the scope of this contract and we do not show a sales/sourcing history, MI will use our industry knowledge and supply chain to source the product to find a solution for the Sourcewell member. Once sourced, Motion will identify the appropriate Product Group Code (PGC) and discount level to apply the contract pricing to the product.

13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

MI's offering includes a discount on shop services and fee based training. Shop services will be offered at a 5% discount and fee based training will be offered with a 10% discount that does not include training equipment.

Should a Sourcewell member choose to purchase training, repair services, or VMI services, charges would apply. Those programs are fee based and negotiated with the Sourcewell member depending on the project and scope of work.

Typically, MI branches do not charge for after-hours service unless it is contractually negotiated or the manufacturer/supplier charges a fee. In this case, MI will pass along any applicable fees after notification and agreement of the charge by our customer.

14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

Our offering includes FOB destination freight for standard delivery, in-stock products under 70lbs in the continental United States. Expedited delivery charges will apply if expedited delivery service is requested by the Sourcewell member. Depending on the products ordered and delivery time frame specified by the member, freight charges may apply to the noncontiguous United States. Any freight charges will be agreed upon by the Sourcewell member before order placement. If any freight charges apply, the actual shipping charge from the carrier will be passed on as agreed upon during order placement.

Travel expenses may be applicable for certain fee based training programs, on-site repair services or certain components of VMI service. All expenses are detailed and agreed upon by the Sourcewell member prior to any services being performed. Fees are subject to individual projects and scope of work.

15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Depending on the products ordered and delivery time frame specified by the Sourcewell member, freight charges may apply to Hawaii, Alaska and any US Territories outside of the continental United States. Any freight charges will be agreed upon by the Sourcewell member before order placement. If any freight charges apply, the actual shipping charge from the carrier will be passed on to the Sourcewell member as agreed upon during order placement.

Although MI has 50 local branches and 3 major distribution centers in Canada, the product mix to meet the market may be different than the products inventoried in our US operations. Freight charges may apply to non-stock items, premium expedited delivery, or items weighing over 70lbs. Any freight charges will be agreed upon by the Sourcewell member before order placement. If any freight charges apply, the actual shipping charge from the carrier will be passed on to the Sourcewell member as agreed upon during order placement.

16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

MI currently owns $694 Million of inventory stocked in our 550 branches and 14 distribution centers throughout North America. We maintain 7.2 million individual line items in our system. In addition to in-house inventories, MI sources from over 20,000 product manufacturers and suppliers. MI has a vast and technologically advance distribution network and it is all available to Sourcewell members 24/7/365.

Motion's distribution centers are technologically advanced and use the most up-to-date systems and tools to expedite the order delivery process. The distribution centers have WMS scanners for pick, package, ship and inventory control processes. MI's distribution centers are equipped with a voice activated picking system to increase productivity. MI distribution centers utilize the most cutting edge technology such as cubiscans to capture items dimensions and weight to expedite picking and shipments to our customers.

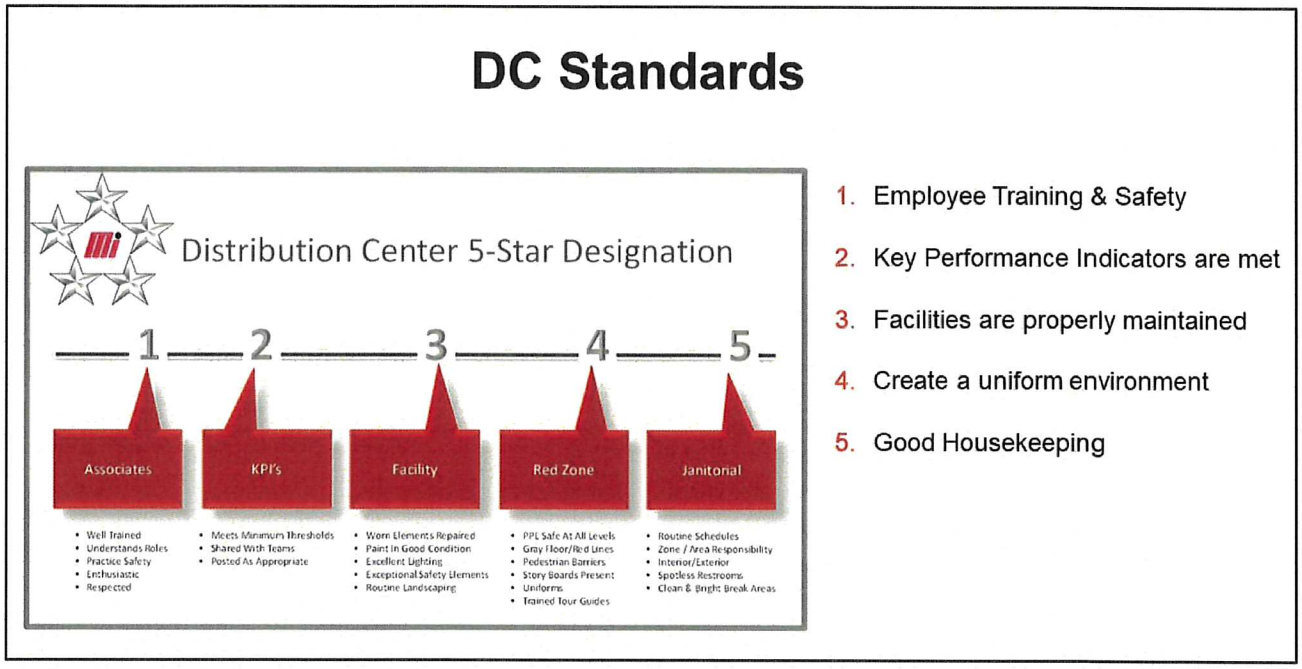
The below graphic illustrates information regarding out distribution centers

DC INFORMATION

- All the DC's are available 24/7/365.
- The DC's operate using an RFID Warehouse Management System as well as Voice Picking
- Almost all of the DC's have fully automated conveyor systems with Print and Apply technology to process UPS and FedEx packages
- Each DC completes a full Cycle Count three times per year
- DC Transfer Accuracy Rate for 2017 was 99.6%

With over 72 years of industrial distribution experience, MI recognized that even the smallest of details may influence our customer service down the line. It is this attention to detail that keeps MI DC's operating at the highest levels of efficiency and able to generate customer service output at max capacity. It is MI's ability to crate synergy between people and technology that makes the difference. Employee training, technology updates, facility/conveyor/equipment maintenance, identifying safety zones, and good housekeeping are all key performance indicators of an efficient facility capable of maximum output.

The below graphic illustrates information regarding our distribution center standards



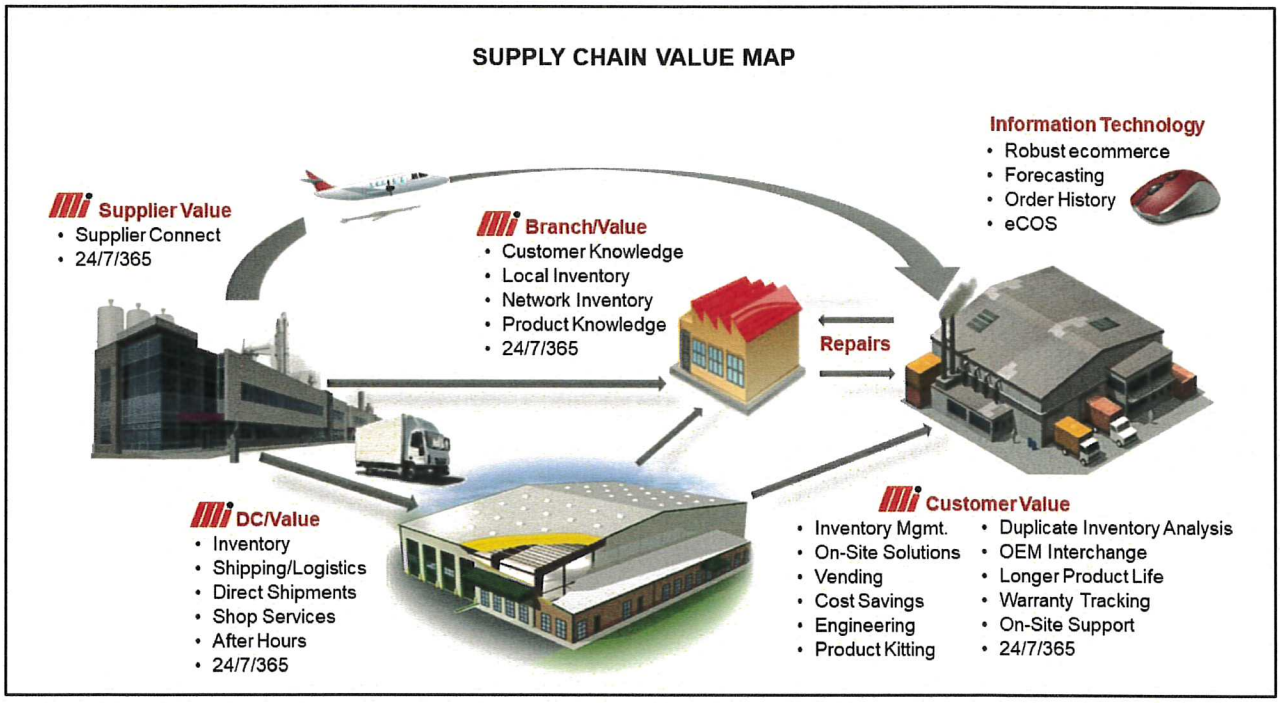
MI's branch locations are strategically located to have a local presence where our customers need us. A typical MI branch serves a defined territory that represents on average 400 (+/-) local customers. That branch is supported by one of 14 strategically located distribution centers. Each distribution center typically supports 75 (+/-) MI branches and provides "next day" inventory replenishment to most of those locations.

Our distribution centers have afterhours support and will act as a local branch in emergency situations as needed. The distribution center can place and process customer orders in emergency situations and deliver directly to the customer. Each facility has their own red delivery trucks and can deliver to customers 24 hours per day x 7 days per week x 365 days per year.

MI utilizes both company owned trucks and 3rd party fright carriers to deliver inventory from our distribution centers to our branches. Our branches retain company owned delivery vehicles which deliver to customer locations. In addition to branch delivery vehicles, many of our Account Managers drive pick-up trucks which they use to make daily deliveries to customers in their respective sales territories. In addition to company delivery activities MI uses FedEx, UPS, USPS, and other fright carries to "drop ship" products to customer locations upon request. We also utilize emergency delivery services for rush orders when applicable. These service can be accessed by our DC's or our branches whenever necessary.

MI's DC's are a valued component in our overall supply chain matrix. DC's inventories are the key supply chain link to our suppliers, branches and our customers. MI's is confident we bring the best supply chain value in our industry.

The below graphic illustrates MI's Supply Chain Value Map



17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

For our current Sourcewell contract, MI's government department, GV01, performs an internal review utilizing a summary report to identify any anomalies in Sourcewell membership spend. This includes a review of individual line item pricing and other transactual information to ensure contract parameters are being met. GV01 also goes through a monthly process of ensuring that all new Sourcewell members are linked to the contract pricing, business parameters, and receive all Sourcewell member benefits. In addition to our internal department review, MI maintains a staff of contract compliance auditors whose responsibility includes regularly reviewing contract terms and parameters and communicating their findings with GV01.

In addition to internal contact review, on a weekly basis MI's finance department forwards to GV01 a list of company-wide new accounts which is reviewed for potential Sourcewell members. The list is then crosschecked with the Sourcewell online membership list to verify member number. Once member number is verified, GV01 contacts the local servicing branch and provides direction concerning approaching the member regarding participation in MI's Sourcewell Power Transmission contract. This process ensures MI captures all potential Sourcewell members. Once new members are added to MI's Sourcewell contract, they are also added to our list for marketing purposes.

18) Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

Currently, MI is paying a 2% administration fee to Sourcewell for facilitating, managing, and promoting our current Power Transmission contract. If awarded the Facility MRO contract, MI will continue to pay the 2% administration fee on all sales through the contract.

Industry-Specific Questions

19) How would being awarded a Sourcewell contract allow you to better and more efficiently serve the government, education and non-profit segments?

MI recognizes that doing business with the government requires an understanding of regulatory compliance that does not exist in commercial industry. Government, education, and non-profit organizations must adhere to strict requirements and protocols as it pertains to procurement and contracting activities. This is why competitive bid requirements exist in the government, education, and nonprofit segments. It is important for suppliers and vendors to understand these compliance parameters.

MI has always serviced the government, education and non-profit customers in our local communities. Prior to MI establishing a government department, GV01, most branches participated in a three bid scenario when servicing the government market. Since establishing a government department MI recognizes that having internal compliance protocols that align with government, education, and non-profit compliance requirements positions us as a reliable and approved source of supply.

MI understands the right contracting vehicle can satisfy many barriers when selling into the public sector, education, and non-profit customer base. Winning a Sourcewell Facility MRO contract award satisfies the requirement to bid opportunities because the contract has already been competitively bid. This is a very important step in the contracting process. MI knows that winning a Sourcewell contract award can be the difference between being "just another vendor", and being an approved supplier that exemplifies understanding of the complex compliance requirements that exist in the government space. Being a Sourcewell contact holder also illustrates we possess the dedication and industry awareness it takes to win a government contract award. MI understand that winning a Sourcewell Facility MRO contract award will open doors and increase revenue success with government, education, and non-profit segments exponentially.

An additional benefit for MI, if awarded a Facility MRO contract, is the ability to promote this contract to government, education and non-profit segments in a language they understand, MRO industrial supplies. While promoting our current Power Transmission contract, we soon understood that not all Sourcewell members understood what types of products were included under the power transmission product category. Motion Industries is excited to be participating in the Sourcewell Facility MRO RFP.

20) Describe the added value your company would provide to government, education and non-profit customers through a Sourcewell-awarded contract.

MI's value-added services to government, education and non-profit customers include the following:

Inventory Management

Managing inventory is a huge challenge. One moment products are accounted for and the next they're being over-consumed. All of those over-consumed or misplaced items can have a serious impact on a Sourcewell member's bottom line.

MI's inventory management solutions help increase efficiencies and savings from your inventory and assets by promoting accountability, as well as leveraging technology, experience, processes and professional resources.

Vending

- **Allows for 24/7 product access with usage restrictions per employee, by product or machine**
- **Establishes control of fast-turning storeroom supplies**
- **Creates standardization and consolidation opportunities**
- **Detailed reporting by product, employee or cost center**
- **Reduces cost in the supply chain**
- **Secures 2nd and 3rd shift product access**
- **Provides opportunities to reallocate storeroom resources**
- **Reduces cost of inventory**
- **Reduces product usage by up to 35%**

RFID Stores

- **Allows for 24/7 product access**
- **Improves MRO inventory accuracy without changing culture**
- **Requires log-in and secure gated entry**
- **Automates the reorder process**
- **Provides opportunities to reallocate resources**
- **Provides control and accountability on 2nd & 3rd shift and weekends**
- **Offers easily deployable off-the-shelf system**
- **Integration capability with customers' ERP systems**

Repair & Warranty Tracking (ART)

- **Manages items outsourced for repair**
- **Tracks assets, associated warranties & asset repair contracts**
- **Provides direct operational savings & improves production efficiencies**
- **Tracks & reports manufacturer warranties on new items**
- **Identifies & tracks repair frequency / trends**
- **Provides over 1,500 repair service providers**
- **Offers in-house repair capability at our 40 service centers**
- **Manages single-contact data collection source tracking ability**
- **Offers on-site management resources**

Vendor Managed Inventory/Open Bin Solution

- **Speeds part replacement**
- **Electronically uploads to our order fulfillment system**
- **Streamlines transactions**
- **Eliminates data entry**
- **Promotes accurate order fulfillment**
- **Provides activity/usage reporting**
- **Reduces customer labor cost**
- **Provides operational savings**

ON-SITE SOLUTIONS - INVENTORY MANAGEMENT

Engineered solutions for inventory management with the goals of increasing efficiency and removing cost from the supply chain.

VENDING

Capabilities include:

Reduces product usage up to 35%

Reduces costs in the supply chain

Reduces cost of inventory

Usage restrictions per employee by product or machine

Standardization and consolidation opportunities

RFID STORES & TRACKING

Capabilities include:

Improve MRO inventory accuracy without changing culture

Log-in and secure gated entry

Automate the reorder process

REPAIR & WARRANTY

Capabilities include:

Single-contact data collection source tracking ability

Tracks and reports outsourced repairs and associated warranties

Tracks and reports manufacturers' warranties on new items

VENDOR MANAGED INVENTORY

Capabilities include:

Streamlines transactions

Eliminates data entry

Speeds part replenishment

Energy Solutions

Reducing a facility's energy consumption can reduce operating costs with less downtime, reduced maintenance and less inventory investment. From evaluation to turnkey implementation, MIs Energy Services Team provides simple, effective and sustainable solutions to reduce your plant's energy consumption. A team of dedicated energy professionals will evaluate a location for possible inefficiencies and provide unbiased, efficient and sustainable energy solutions that fit your needs and environment.

Compressed Air

- **Flow, pressure and power measurements**
- **Infrastructure, storage, pressure drop studies**
- **Dewpoint and air quality testing**
- **Leak detection**
- **Inappropriate use testing and alternate technology evaluation**

Lighting

- **Proper light level evaluation**
- **Lighting design and fixture selection assistance**
- **Opportunity identification for occupancy sensors and photocells**
- **Management of any eligible incentives or tax credits**

Steam

- **Steam trap review and tagging**
- **Leak detection**
- **Control and heat output measurement**
- **Heat recovery identification**
- **Uninsulated pipe identification**

Mechanical Efficiency

- **Efficiency evaluation of mechanical systems including VFDs, gearboxes, motors, chains/belting, etc.**
- **Repair/replacement comparisons**

Power Quality

- **Power quality measurements**
- **Utility bill analysis**
- **Inventory of equipment/loads**
- **Recommended measures with savings and payback analysis**

Solar PV / Thermal

- **Utility bill analysis**
- **Management of any state and national incentives**
- **PV – Recommendation of array technology including trackers, fixed-ground, non-penetrating roof and carport mounts**
- **Thermal – Appropriately sized double-wall heat exchangers with target temperature benefits and potential to extend boiler life**

Energy Procurement

- **Natural gas and electricity bill review**
- **Analyze usage demand and utility rate**
- **Develop short and long term strategies**
- **Seamless transition of accounts**

Forensic Billing Analysis

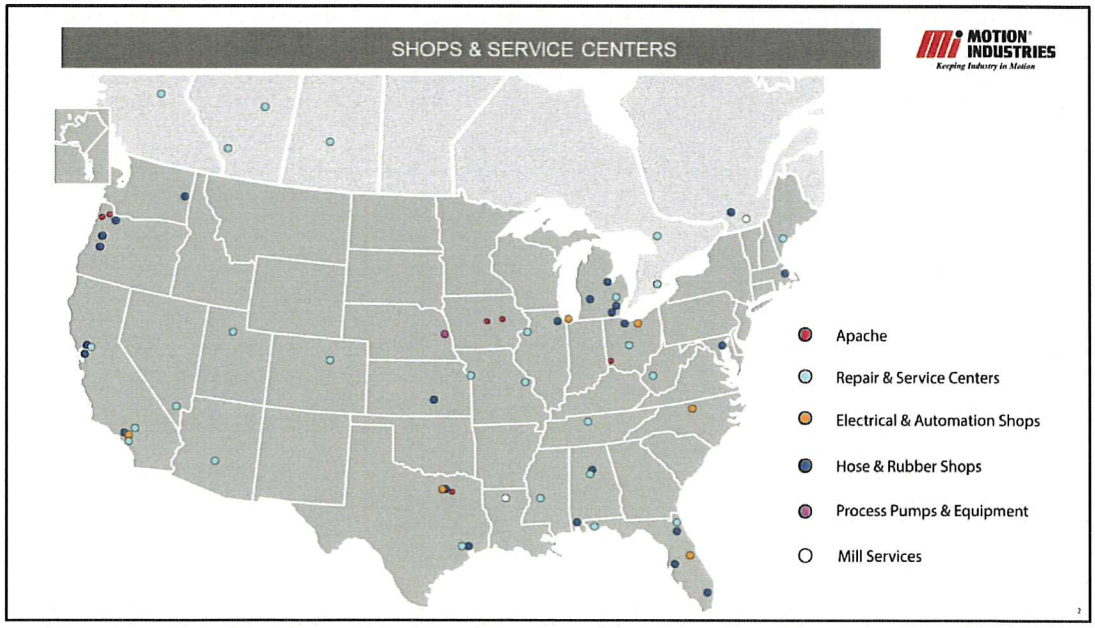
- **Examine monthly invoices for billing errors and discrepancies:**
  - **Electric**
  - **Natural gas**
  - **Trash**
  - **Sewer**
  - **Water**
  - **Phone**
  - **Internet & More**

Service Centers

MI's over 40 service centers (shops) are strategically located around North America and provide 24/7/365 service to our customers. MI's service force is made up of professional service technicians and specialist that use state of the art testing equipment to ensure service and repair projects exceed the expectations of our customers.

The below graphic illustrates MI's service center staffing and capabilities matrix

The graphic below illustrates the geographic dispersion of all of our service center locations.



21) Describe any new products and services added to your portfolio within the past 18 months.

GPC announced in early 2018 that EIS, historically GPC's Electrical Specialties Group, is now part of Motion Industries. EIS distributes over 100,000 items to more than 20,000 customers from 38 branches and six fabrication facilities in North America. Products include wire, cable and connectivity solutions,

insulating and conductive materials, assembly tools and test equipment as well as custom fabricated parts and specialty coated materials.

Motion Industries and EIS have worked together for many years. Combining our resources into one offering to the industrial marketplace is an advantage to our customers. EIS has 38 Branches and 6 Fabrication Facilities in U.S., Canada, Mexico, Puerto Rico and Dominican Republic. The major products include: Magnet Wire Specialty Converted Solutions Cable and Connectivity Solutions Insulating and Conductive Materials Assembly Tools Test Equipment.

The below graphic illustrates EIS service locations:

Please see Attachments E and F for EIS product breadth.

22) Please describe any product training, consulting or instruction that you offer, including the programs, the related costs and the benefits?

MI's approach to training is simple, exceeding the customers' training expectations in a format that fits best within the customer's organizational structure. Different customers have different needs. MI understands that training is one of the most important aspects to understanding the technology, applications, performance factors, features and benefits, and the science behind the products and services we offer to our customers. MI strives to make training available to our customers in a format that is user friendly to their method of consumption. MI offers fee based training, free on-line training, manufacturer supported training, and training support through our local branches.

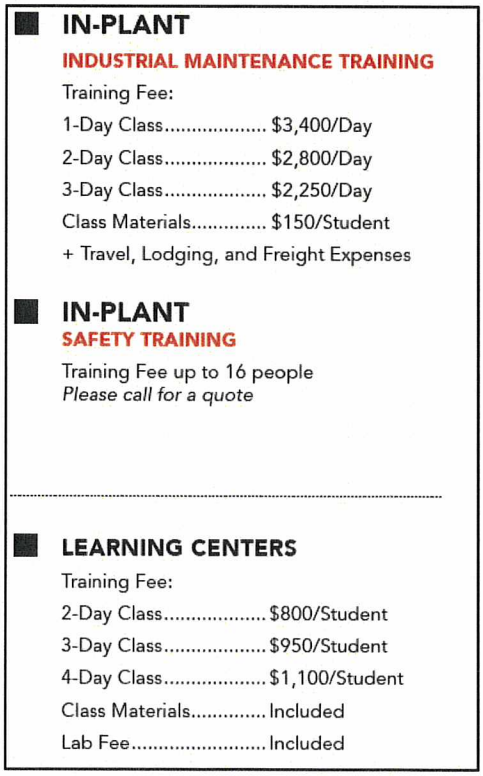
There are many benefits to training. Some jobs have minimum training requirements on an annual basis. Other jobs require Continuing Education Units, CEU, to keep certifications and general skills sets up to date. Other benefits include increased employee motivation, increased job satisfaction, increase efficiencies and reduce waste, and reduced employee turnover.

Motion Institute is where industry goes to get the best and most-up-to-date technical training in the industry. MI offers a wide range of fee-based training options that includes industrial maintenance, health, safety, and HR compliance training. MI's fee-based training can be done on-line or in an in-person classroom setting. MI also offers some training modules in Spanish. Below, please find a list of industrial maintenance training: Motion Institute offers training courses in the following formats, live web courses, live hands-on, online 24/7, and self-study.

Below, please find a list of industrial maintenance training:

- **Arc Flash Safety**
- **Basic Equipment Care**
- **Bearings and Power Transmission**
- **Electrical Equipment Maintenance**
- **Facilities Maintenance Training**
- **Fluid Power, Basic**
- **Fluid Power, Advanced**
- **Microsoft Excel**
- **Maintenance Leadership Training**
- **Maintenance Planning Course**
- **Maintenance Supervisor Training**
- **Online Training Collection**
- **Pneumatic Systems Technology**
- **Preventive-Predictive Maintenance**
- **Programmable Logic Controllers**
- **Stockroom Maintenance Training**
- **Troubleshooting Skills**

The below graphic illustrates current training fees.



The below graphic illustrates the content of one of Motion Institutes' many training modules.

MOTION INSTITUTE

Maintenance Training Series

FACILITIES MAINTENANCE TRAINING

Hands-on Course FMH224 3-Day

Finally, a course that specifically addresses the maintenance issues of a commercial facility. Course materials are provided that help participants understand the equipment that they install, maintain and troubleshoot.

TOPICS COVERED

Electrical Equipment

Instrumentation, Transformers, Motor Controls, Sensors

Pneumatic Systems

Filters, Regulators, Dryers, Compressors and Control Valves

Process Pump Operation and Design

Pump Packing, Bearings and Seals

Mechanical Equipment

Fan Bearings

Bushings

Couplings

Belt Drives

MI also has free on-line training available through MiHow2. These You Tube video sessions are a great way to get quick up-to-date information on a many of the products and service we offer. Our resident host for MiHow2, Tom Clark, has developed one of the most recognized faces in the industry as it pertains to on-line training. MiHow2 videos cover everything from new technology and product releases, to quick training modules on specific real-life applications for a specific products. MiHow2 training videos are a quick and easy way to get great training on a wide variety of topics, all you need is internet access.

Over the past 7 decades, MI has developed the strongest relationships in the industry with our supplier partners. These manufactures are the best in the world at what they do. As a result, MI expects our suppler partners to be available to address specific customer training needs on a case-by-case basis as it pertains to their respective products and services. MI will often set-up mini trade events, lunch and learns, one-off training sessions, and other types of manufacturer supported training opportunities. The ability to respond to specific training need in a timely manner has earned MI a reputation as the "go to" supplier to find answers to highly technical questions.

23) Do you have an on-line purchasing portal? If so, please describe your online ordering process, purchase approvals/tracking, payment options, reporting and monitoring (For example, can a member track spending by staff members, can a member put limits on purchases, can a member be invoiced, etc.)

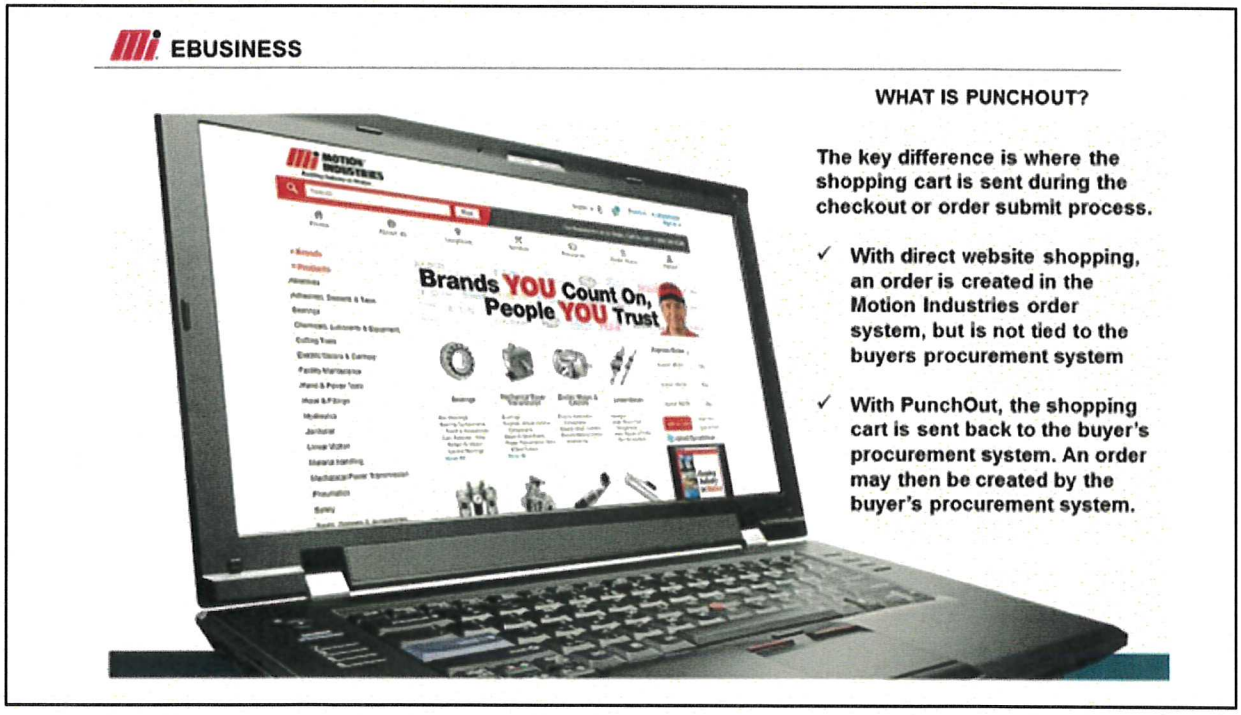
Yes, MI has an on-line purchasing portal, MotionIndustries.com (MI.com). MI's e-procurement mission statement is, "Motion Industries will work with its key suppliers to lead the market in providing e-Business solutions to fulfill customer needs. Our goal is to improve service, reduce cycle times, improve efficiencies and deliver superior value."

(MI.com) is our informational and transactional website. Through MI.com, our customers have access to our product offering and customer specific negotiated pricing. In addition, MI.com provides our customers with up to seven years of transactional history and a variety of other functionalities and features. The key features include: On-line Registration, Product Look-up, Price and Availability, Product Specifications & Drawings, Product Catalog Drill-Down, Order Entry, Express Ordering, Auto Order using Templates, Order/Quote Confirmation via Email, Order Status, Request for Quote, Account Order History, ASN (Advance Ship Notice) via Email, Shipment Tracking, UPS Integration, Account Status/Inquiry and an Approval Routing process.

Customers can utilize our e-procurement platform 24/7/365. MI provides e-procurement accessibility through two paths; direct website shopping and punch-out. With direct website shopping, an order is created in the MI system; however, is NOT tied to the buyers system.

With punch-out, the shopping cart is created in the MI system then sent back to the buyers system which provides the buyer an opportunity to create the order, conduct approval activity, or perform other order task prior to sending the order back to MI for process. This process is generally known as "roundtrip" punch-out.

The below graphic illustrates key attributes for using MI.com Punch-out



Roundtrip punch-out provides more diverse functionality to meet the specific requirements of customer. Below is the step-by-step process for punch-out roundtrip.

STEP 1: **The Buyer accesses a Supplier's web site from their procurement/requisitioning application such as, SAP, Ariba, Oracle, JDE, etc…**

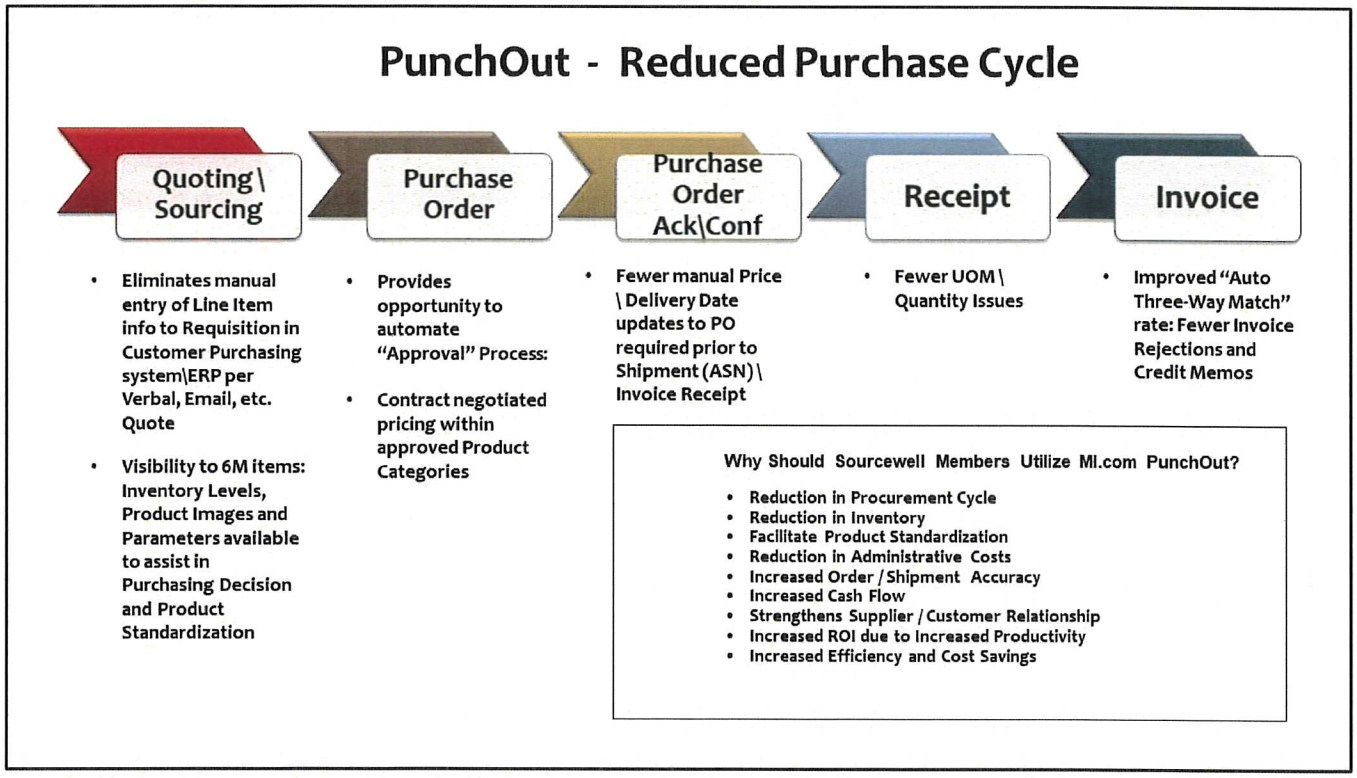
STEP 2: **The Buyer uses the Supplier's web site to search the catalog and build a "shopping cart".**

STEP 3: **The "shopping cart" is returned to the Buyer's procurement system/requisition as a pending Purchase Order (This Step completes the Punch-out process)**

STEP 4: **The Buyer's procurement application processes the requisition per the established business rules/approval process and converts the transaction to a Purchase Order**

STEP 5: **The Purchase Order is sent to the Supplier via EDI, XML, Autofax, Email, etc.**

The below graphic illustrates time, administrative, and cost savings advantages of using MI.com Punch-out



24) Please rank the top 3 market segments where your company provides products & services:
   a) Facilities MRO (Maintenance Repair & Operations)
   b) Industrial Supplies
   c) Tools & Equipment/Accessories
   d) Electrical Power Transmission & Supplies
   e) Mechanical Power Transmission
   f) Pneumatics/ Fluid Power
   g) Electrical and Lighting Products & Services
   h) Plumbing Supplies & Waterworks
   i) Construction & Building Supplies

Motion Industries top 3 market segment are:

1. **Mechanical Power Transmission**
2. **Pneumatics/Fluid Power**
3. **Electrical Power Transmission and Supplies**

When examining the market segment list provided in this RFP, MI experiences cross pollination between the market segments a) thru e); e.g., there are products that apply to Mechanical Power Transmission that also apply to Facilities MRO and the same for Electrical Power Transmission. MI's top 3 ranking is based on the graphic in questions 25 below; MI's Market Share by dollar volume. As shown by this matrix, there are several product segments that are closely related.

25) Describe your market share, depth, and breadth of products and services offered within each of the following categories you currently provide to your government, education & non-profit customers:
   a) Facilities MRO (Maintenance Repair & Operations)
   b) Industrial Supplies
   c) Tools & Equipment/Accessories
   d) Electrical Power Transmission & Supplies
   e) Mechanical Power Transmission
   f) Pneumatics/ Fluid Power
   g) Electrical and Lighting Products & Services
   h) Plumbing Supplies & Waterworks
   i) Construction & Building Supplies

MI distributes industrial products, replacement parts and related supplies such as bearings, mechanical and electrical power transmission, industrial automation, hose, hydraulic and pneumatic components, industrial supplies, safety supplies, and material handling products. Market share within these categories can be rolled up into larger categories or broken-out into more defined sub categories. MI report market share to our parent company, GPC, on a quarterly basis. In this report, MI breaks-out the industrial MRO market into subcategories which make up mechanical and electrical power transmission, pneumatics, hydraulics, facilities MRO, and industrial supplies (tools, supplies, accessories).

The below graphic indicates MI's 2017 market share by sales volume segmented by the categories of this RFP. It is difficult to convert into a percentage as MI does not report market share to GPC in accordance with how the product categories are defined in this RFP. Market share by percentage is illustrated in graphic "Motion Industries MRO Subcategories".

MI'S MARKETSHARE BY DOLLAR

Sourcewell Product Segments	Sum of US Sales	Sum of CN Sales Converted
1. Facilities MRO (Maintenance Repair & Operations)	$337,320,103	$72,843,884
2. Industrial Supplies	$313,850,860	$46,932,803
3. Tools & Equipment/Accessories	$221,975,825	$14,068,379
4. Electrical Power Transmission & Supplies	$343,571,151	$18,780,063
5. Mechanical Power Transmission	$2,051,232,365	$338,060,400
6. Pneumatic/ Fluid Power	$763,442,906	$113,465,990
7. Electrical and Lighting Products & Services	$21,548,929	$1,249,732
8. Plumbing supplies & Waterworks	$80,533,425	$9,684,905
9. Construction & Building Supplies	$3,898,479	$488,190
Grand Total:	**$4,137,374,044**	**$615,574,343**

MI'S MARKETSHARE BY PERCENT

Sourcewell Product Categories	Market Share
Bearings	18.90%
Mechanical	17.00%
Pneumatics	6.70%
Hydraulics	7.20%
Hydraulic Hose	6.90%
Industrial Hose	8.70%
Electrical & Automation	5.50%
Industrial Supplies	0.10%
Safety	1.70%
Seals & Accessories	3.20%

Signature: _____ Date: 11-30-18