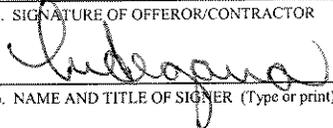
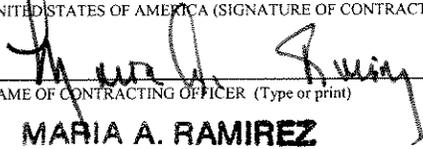


SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				1. REQUISITION NUMBER	PAGE 1 OF 111 + 6 Attach.
2. CONTRACT NO. V797P-1040	3. AWARD/EFFECTIVE DATE 1-20-2005	4. ORDER NUMBER	5. SOLICITATION NUMBER RFP-797-NC-04-006	6. SOLICITATION ISSUE DATE June 25, 2004	
7. SOLICITATION INFORMATION CALL:	FOR <b>►</b> a. NAME <b>Maria A. Ramirez, Contracting Officer</b>		b. TELEPHONE NUMBER (No collect calls) <b>(708) 786-5181</b>	8. OFFER DUE DATE/ LOCAL TIME <b>8/05/04, 4:00 P.M. Central Time</b>	
9. ISSUED BY: <b>Department of Veterans Affairs (049A1N2PV) National Acquisition Center, Bldg. #37 P.O. Box 76 First Avenue, One Block N. of Cermak Rd. Hines, IL 60141</b>		10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED* <input checked="" type="checkbox"/> SET ASIDE: * % FOR * SMALL BUSINESS * See Part VI <input type="checkbox"/> 8(A) NAICS: 423450 SIZE STANDARD: 500	11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MAKRRED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS 0.25% 24-48 hrs.	
13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <input type="checkbox"/>		13b. RATING		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> X RFP	
15. DELIVER TO <b>Delivery Addresses Shown on Delivery Orders</b>		16. ADMINISTERED BY <b>Same as Block #9</b>			
17a. CONTRACTOR/OFFEROR <b>Borschow Hospital &amp; Medical Supplies, Inc.</b>		18a. PAYMENT WILL BE MADE BY <b>Payment address will be listed on individual delivery orders issued against this contract.</b>			
17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER <input type="checkbox"/>		18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM			
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	<b>PRIME VENDOR PROGRAM FOR THE DISTRIBUTION OF MEDICAL AND SURGICAL SUPPLIES AND RELATED SERVICES.</b>  <b>PLEASE REFER TO THE "STATEMENT OF WORK" OF THE SOLICITATION.</b>  (Use Reverse and/or Attach Additional Sheets as Necessary)				
25. ACCOUNTING AND APPROPRIATION DATA			26. TOTAL AWARD AMOUNT (For Govt. Use Only) <b>(BASE Estimated \$ 6,743,733. PERIOD)</b>		
27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. <input checked="" type="checkbox"/> ARE ARE <input type="checkbox"/> ARE NOT ATTACHED			27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. <input type="checkbox"/> ARE ARE <input type="checkbox"/> ARE NOT ATTACHED		
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. *Please refer to Part V for further instructions. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.		29. AWARD OF CONTRACT: REF. <u>FPR</u> OFFER DATED <u>11/10/04</u> OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS. <b>Please refer to attached Summary of Award</b>			
30a. SIGNATURE OF OFFEROR/CONTRACTOR 		31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 			
30b. NAME AND TITLE OF SIGNER (Type or print) <b>Manuela Segarra VP &amp; General Manager</b>	30c. DATE SIGNED <b>08/03/04</b>	31b. NAME OF CONTRACTING OFFICER (Type or print) <b>MARIA A. RAMIREZ Contracting Officer</b>	31c. DATE SIGNED <b>1/20/2005</b>		

## SUMMARY OF AWARD

Addenda to Standard Form 1449 – Contract V797P-1040  
Page 2 of 4

Contractor: Borschow Hospital & Medical Supplies, Inc.  
P.O. Box 366211  
San Juan, Puerto Rico 00936

Contract Number: V797P-1040

Payment Terms: .25% - 15 Days

Items Awarded: #22 (Puerto Rico)

Date of Award: January 20, 2005

Contract Period: April 20, 2005 through December 19, 2006, with two 20-month renewable options.

Implementation Period: January 20, 2005 through April 19, 2005

Estimated Value of Award Base Period:

- Value of Products: \$6,333,333
- Distribution Fees: \$410,400
- Total Estimated Value of Award: \$6,743,733 (Base Period)

Distribution Fees:

- Conventional Deliveries:
  - 6%, Base Period
  - 7%, Option Period 1
  - 8%, Option Period 2
- Just-In-Time Deliveries:
  - 8% Base Period
  - 10%, Option Periods 1 and 2

Fill Rates:

- Conventional Deliveries: 95%, 3 Bulk Deliveries per week, F.O.B. Destination
- Just-In-Time: 98%, 5 Low Unit of Measure Deliveries per week, F.O.B Destination

Emergency Deliveries: Six monthly deliveries per account provided at no cost.

Thereafter:

- \$25.00 San Juan per delivery trip
- \$50.00 Ponce per delivery trip
- \$75.00 Mayaguez per delivery trip

**Conventional Delivery Method – BORSCHOW HOSPITAL & MEDICAL SUPPLIES INC.**

<b>VALUE-ADDED SERVICES</b>	<b>Adjustment To Conventional Base Distribution Fee.</b> <i>(Please indicate proposed adjustment as either an increase(+) or decrease (-) to the conventional base distribution fee. Please indicate "No Change" for no adjustment to conventional base distribution fee.)</i>
One delivery per week	<b>-1%</b>
Two deliveries per week	<b>-.50%</b>
97% fill-rate	<b>No Change</b>
Additional exterior delivery sites beyond the two required by the solicitation. (Delivery sites are located within the same Government complex).	<b>+1%</b>
Shelf Life Greater Than Six Months	<b>No Change</b>
Bar Code Labels	<b>No Change</b>
Fill/Call	<b>+5%</b>
Custom Pallet Architecture	<i>(This adjustment should be proposed as both an adjustment to the conventional delivery method distribution fee and as a per activity flat fee.)</i>  Adjustment to Conventional Delivery:  Fee: <i>N/A</i>  Flat Fee: <b>\$25.00 per pallet</b>

**Just-In-Time Delivery Method – BORSCHOW HOSPITAL & MEDICAL  
SUPPLIES INC.**

<p><b>VALUE-ADDED SERVICES</b></p>	<p><b>Adjustment To Just-In-Time Base Distribution Fee.</b> <i>(Please indicate proposed adjustment as either an increase or decrease to the Just-in-Time Base Distribution Fee. Please indicate "No Change" for no adjustment to the Just-In-Time Base Distribution Fee.)</i></p>
Saturday Deliveries	+.5%
Sunday Deliveries	+1%
100% Fill-Rate	+2%
Delivery to 2-4 Floor Delivery Locations	+.5%
Delivery to 5-7 Floor Delivery Locations	+1%
Shelf Life Greater Than Six Months	+.5%
Bar-Code Labels	<i>No Change</i>
Fill/Call	+.5%
Custom Pallet Architecture	<p><i>(This adjustment should be proposed as both an adjustment to the conventional base distribution fee and as a per activity flat fee.)</i></p> <p>Adjustment to Just-In-Time Delivery :  Fee: <i>No Change</i></p> <p>Flat Fee: <i>No Change</i></p>