

<b>SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS</b> <b>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, &amp; 30</b>				1. REQUISITION NUMBER		PAGE 1 OF 111 + 6 Attach.	
2. CONTRACT NO. <b>V797P-1050</b>		3. AWARD/EFFECTIVE DATE <b>1-20-2005</b>		4. ORDER NUMBER		5. SOLICITATION NUMBER <b>RFP-797-NC-04-006</b>	
7. FOR SOLICITATION INFORMATION CALL:		a. NAME <b>Maria A. Ramirez, Contracting Officer</b>		b. TELEPHONE NUMBER (No collect calls) <b>(708) 786-5181</b>		6. SOLICITATION ISSUE DATE <b>June 25, 2004</b>	
9. ISSUED BY: <b>Department of Veterans Affairs (049A1N2PV)</b> <b>National Acquisition Center, Bldg. #37</b> <b>P.O. Box 76</b> <b>First Avenue, One Block N. of Cermak Rd.</b> <b>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 MAKRED <input type="checkbox"/> SEE SCHEDULE <input type="checkbox"/>		12. DISCOUNT TERMS <b>See form 1449 (cont'd)</b>	
15. DELIVER TO <b>Delivery Addresses Shown on Delivery Orders</b>		16. ADMINISTERED BY <b>Same as Block #9</b>		13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <input type="checkbox"/>		13b. RATING	
17a. CONTRACTOR/OFFEROR <b>Buffalo Hospital Supply Co., Inc.</b> <b>4039 Genesee Street</b> <b>Buffalo, NY 14225</b> TELEPHONE NO. (716) 626-9400		18a. PAYMENT WILL BE MADE BY <b>Payment address will be listed on individual delivery orders issued against this contract.</b>		14. METHOD OF SOLICITATION <input checked="" type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> X RFP			
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER SAME		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>  <small>(Use Reverse and/or Attach Additional Sheets as Necessary)</small>				See Form 1449	See Form 1449	
25. ACCOUNTING AND APPROPRIATION DATA					26. TOTAL AWARD AMOUNT (For Govt. Use Only) <b>(Base Estimated \$ 5,441,947. Period)</b>		
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA					X ARE <input type="checkbox"/> ARE NOT ATTACHED		
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA					X ARE <input type="checkbox"/> ARE NOT ATTACHED		
X 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.					<input checked="" type="checkbox"/> 29. AWARD OF CONTRACT: REF <b>FDR</b> OFFER DATED <b>11/1/04</b> YOUR 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>William J. Steiner,</b> <b>Vice President of Corporate Programs</b>			30c. DATE SIGNED <b>July 5, 2004</b>		31b. NAME OF CONTRACTING OFFICER (Type or print) <b>MARIA A. RAMIREZ</b> <b>Contracting Officer</b>		31c. DATE SIGNED <b>1/20/2005</b>

## SUMMARY OF AWARD

Addenda to Standard Form 1449 – Contract V797P-1050  
Page 2 of 4

Contractor: Buffalo Hospital Supply Company, Inc.  
4039 Genesee Street  
Buffalo, NY 15225

Contract Number: V797P-1050

Payment Terms: Net 15 Days

Items Awarded: #2 - VISN 2

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:

- Value of Products: \$5,166,667
- Distribution fees: \$275,280
- Total Estimated Value of Award: \$5,441,947 (Base Period)

Distribution Fees:

- Conventional Deliveries:
  - 4.20%, base period
  - 4.20%, option period 1
  - 4.30%, option period 2
- Just-In-Time Deliveries:
  - 8.90%, base period
  - 8.90%, 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: Two monthly deliveries per account provided at no cost.  
Thereafter: \$145.00 flat fee per delivery trip.

**Conventional Delivery Method – BUFFALO HOSPITAL SUPPLY CO, 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>-.20%</b>
Two deliveries per week	<b>-.10%</b>
97% fill-rate	<b>+.25%</b>
Additional exterior delivery sites beyond the two required by the solicitation. (Delivery sites are located within the same Government complex).	<b>+1% per incremental delivery site</b>
Shelf Life Greater Than Six Months	<b>No Change</b>
Bar Code Labels	<b>\$0.10per Label</b>
Fill/Call	<b>No Change</b>
<p>* Custom Pallet Architecture</p> <ul style="list-style-type: none"> <li>-Pallets loaded in customer stockroom location order +1.0%</li> <li>-Three or less ship-to locations sorted by Department Receiving Drop-off +.5%</li> <li>-4-5 ship-to locations sorted by department receiving drop-off +1.25%</li> <li>-Up to 8 ship-to locations sorted by department receiving drop-off +1.5%</li> </ul>	<p><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></p> <p>Adjustment to Conventional Delivery:</p> <p>Fee: <i>See *</i></p> <p>Flat Fee: <i>See *</i></p>

**Just-In-Time Delivery Method – BUFFALO HOSPITAL SUPPLY CO, 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>
<p>Delivery to 2-4 Floor Delivery Locations</p>	<p><b>2.75%</b></p>
<p>Delivery to 5-7 Floor Delivery Locations</p>	<p><b>2.50%</b></p>
<p>Shelf Life Greater Than Six Months</p>	<p><b>No Change</b></p>
<p>Bar-Code Labels</p>	<p><b>\$0.10/label</b></p>
<p>Fill/Call</p>	<p><b>No change</b></p>
<p>* Custom Pallet Architecture  <i>-Pallets loaded in customer stockroom location order +1.0%</i>  <i>-Three or less ship-to locations sorted by Department Receiving Drop-off +.5%</i>  <i>-4-5 ship-to locations sorted by department receiving drop-off +1.25%</i>  <i>-Up to 8 ship-to locations sorted by department receiving drop-off +1.5%</i></p>	<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: <b>See Custom Pallet Architecture</b></p> <p>Flat Fee: <b>n/a</b></p>