

## **NJPA Membership Plus Agreement**

This NJPA Membership Agreement (this "Agreement") is made as of this December day of 1st, 2012 by and between W.W. Grainger, Inc. ("Grainger") and the State of Ohio ("NJPA Plus Member" or "Ohio")

### **WITNESSETH**

WHEREAS, the NJPA Plus Member has executed a Participating Agreement with the National Joint Powers Alliance ("NJPA") to become an NJPA Member; and

WHEREAS, the NJPA Plus Member has determined that it wishes to purchase products from Grainger under NJPA's Vendor Agreement #102109-WWG (the "MRO Agreement") and one or more of additional Grainger-NJPA Vendor Agreements, including without limitation, Vendor Agreements #091311-WWK, #110811-WWG and #123011-WWG (collectively, the "NJPA Agreements"); and

WHEREAS, Grainger has determined through the use of its sole discretion that either the prior purchasing history between Grainger and the NJPA Plus Member is of such magnitude that it would be in Grainger's best interests to make continuing sales to the NJPA Plus Member under the NJPA Agreements or the NJPA Plus Member has indicated its non-binding but good faith intention to purchase a significant volume of product from Grainger under the NJPA Agreements in the ensuing Contract Year(s); and

WHEREAS, the NJPA Plus Member has requested a further inducement to make such purchases that is not otherwise available to NJPA Members unless Grainger grants the NJPA Plus Member such Plus Member status;

NOW THEREFORE, GRAINGER AND THE NJPA PLUS MEMBER HEREBY AGREE AS FOLLOWS:

1. **NJPA Plus Member Status.** Grainger hereby designates NJPA Plus Member as having such "Plus Member" status, effective on the first day of the calendar month following the date indicated below that the second of the two parties hereto signed this Agreement. Such status shall be subject to renewal, effective each successive February 1 (the "Renewal Date"), such renewal to be granted by Grainger in its sole discretion to be exercised by its review of the purchasing history of Grainger products by the NJPA Plus Member under the NJPA Agreements during the February 1-January 31 period immediately prior to each Renewal Date. Once granted by Grainger, NJPA Member Plus status can not be revoked for the remainder of the then current Contract Year.

2. NJPA Plus Member Rebate. Grainger hereby acknowledges that it shall make payment to NJPA Plus Member of the below defined NJPA Plus Member Rebate subject to the following terms and conditions:

The NJPA Plus Member shall earn a two percent (2%) rebate (the "Plus Rebate") on each Direct Member Purchase made under the NJPA Agreements (but, for purposes of clarity, not any such purchases utilizing Grainger's Distributor Alliance Program) during the portion of any Contract Year, during which it is an NJPA Plus Member. Such earned payments shall be made by Grainger directly to the NJPA Plus Member within forty five days after the close of each calendar quarter. For purposes of clarity, if the NJPA Plus Member first became an NJPA Member in April of any Contract Year, and became an NJPA Plus Member on May 1 of that Contract Year, and made purchases previous to that April from Grainger pursuant to an agreement other than the NJPA Agreement, only those Direct Member Purchases made from May 1 through January 31 of that Contract Year would be the subject of the Plus Rebate for that Contract Year. Direct Member Purchases made by Ohio political subdivisions shall be included in the Plus Rebate to the extent the applicable political subdivision had previously chosen to affiliate to NJPA as an Ohio political subdivision rather than an independent NJPA Member.

3. NJPA Member Incentive. NJPA Plus Member acknowledges that in consideration of Grainger's grant to it of Member Plus status, it has waived any right to receive an NJPA Member Incentive (as such term may be defined in any of the NJPA Agreements) in regard to purchases it may make from Grainger under any of the NJPA Agreements during any Contract Year during which the NJPA Plus Member holds such status for all or a portion of that Contract Year.
4. Capitalized Terms. Except as defined in this Agreement, all capitalized terms shall have their respective meanings as ascribed to them by the NJPA Agreements, but in case of different definitions appearing therein, as for example, the definition of Contract Year, the definition used in the MRO Agreement shall control.

**AGREED AND ACCEPTED AS OF THE DATE SET FORTH BELOW:**

**W.W. GRAINGER, INC.**

**STATE OF OHIO**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_