

**FORMS MANAGEMENT CONTRACT**  
**between**  
**UNITED NATIONAL BANK**  
**and**  
**PACE BUSINESS SOLUTIONS**

**A. Period of Agreement**

This voluntary agreement between PACE BUSINESS SOLUTIONS and UNITED NATIONAL BANK shall be in effect for one year beginning \_\_\_/\_\_\_/\_\_\_ through \_\_\_/\_\_\_/\_\_\_.

**B. Purpose**

This contract is drawn with the intention of providing a total forms management program. Pace Business Solutions is interested in a long-lasting, sincere, mutually beneficial relationship with UNITED NATIONAL BANK, hereinafter referred to as "UNB".

This forms management program offers UNB a "one-stop" shopping opportunity for all printed products. The "bundled" contract allows Pace Business Solutions the opportunity to use various printing plants in fulfilling the needs of UNB.

This program also offers UNB guaranteed savings, plus incentives based on annual purchases from Pace Business Solutions.

**C. Products**

This forms management program encompasses all phases of printing. All printed forms that are used by UNB and that are ordered and reordered are eligible for this comprehensive program.

1. Printed Products

- a. Custom continuous singles and multiples (computer forms)
- b. Custom unit set forms
- c. Custom continuous or unit set forms with labels affixed or collated
- d. Shingled forms
- e. Custom continuous pressure sensitive products (labels)
- f. Flat printing (single sheets)
- g. Precollated sets

1. Printed Products (continued)

- h. Stock forms (continuous computer paper - blank)
- i. Stock Labels
- j. Custom labels
- k. Four-color process printing (brochures, financial reports)
- l. Direct mail products
- m. Stationery (letterheads, envelopes, business cards)
- n. Stitched /bound books and pamphlets
- o. Packaging (plastic bags, specialty envelopes, boxes, etc.)

2. Optional Products and Services

- a. Computer supplies (ribbons, diskettes, magnetic media, binders)
- b. Computer software (electronic forms, document management/imaging, networking, E-Mail)
- c. Computer hardware
- d. Desktop publishing services
- e. Office furniture

**D. Production and Delivery**

UNB will be offered many opportunities as far as forms production:

- 1. Normal Delivery. Delivery can vary, but for most products, a single order can be produced in two to three weeks.
- 2. Group Buying. In an effort to maximize savings through increased production efficiency, Pace Business Solutions will attempt to group similar orders (i.e., of size and specifications) from UNB. This schedule offers “in by/out by” dates for all product types. Depending on the product (and time of year), lead times may be longer than the normal two to three weeks.

Orders placed in the Group Buying Program will be entered through the Pace Business Solutions sales representative, the sales service personnel in charge of managing the account of UNB, or through Pace’s Satellite inventory management software connection. ***Note: No orders of any type will be accepted or processed unless accompanied by duly authorized purchase order.***

- 3. Rush Delivery. When an order requires a rush delivery schedule, various plants can meet this need for most orders in as little as one day. Surcharges will be applied. (see section H for further clarification)
- 4. Billing Terms. UNB will be provided with a summary bill by the 25th day of every month. Net due upon invoice. Past due after 30 days.

**E. Order Quantities**

- 1. The minimum order quantities for members of UNB are as follows:
  - a. Full custom continuous 1000
  - b. Full custom snapouts 1000
  - c. Limited custom continuous 500
  - d. Limited custom snapouts 500
  - e. Custom Cut Sheet 500

2. The minimum order quantity for precollated sets and flat work is 500.
3. Pricing and guaranteed reductions on the first order are based on similar quantities to the previous order and include all variables of the previous order (warehousing, freight, artwork, plates, dies, negatives, overruns, combination runs). Although minimum quantities are stated above, comparison will be made to previous if the quantity is below minimum.

**F. Representation**

Pace Business Solutions will provide a dedicated Service Team to work with UNB. This Team will constantly search for ways to consolidate, redesign, eliminate or convert to electronic all existing printed documents. Pace will also seek to introduce new and emerging forms automation and document management technologies that can further reduce the need for printed forms as well as provide a dramatic reduction in the costs associated with the capture, processing and retrieval of information and printed documents.

The Service Team assigned to UNB is as follows:

1. Account Manager - Joe Tornabene
2. Account Representative/Certified Forms Consultant - John Downs
3. Systems/Automation Technologies Consultant - Gabriella Kazlauskas
4. Forms Management Service Representative - Ed Koenig
5. Sales Service Assistant - Karla Goodenough

**G. Pricing Guarantees**

**Phase One**

UNB (first year on program)

- (1) 10% less on the first order, based on similar quantities to the previous order and includes all variables of the previous order (warehousing, freight, artwork, plates, dies, negatives, overruns, combination runs). Orders for new items will be billed at Pace's cost plus 25 % gross margin.
- (2) 1 % to 3 % incentive check based on total calendar year's paid invoices for all of Pace Business Solutions products presented with yearly accountability report.

<b>\$100M - 199M</b>	<b>.....</b>	<b>1 %</b>
<b>\$200M - 299M</b>	<b>.....</b>	<b>1.5 %</b>
<b>\$300M - 399M</b>	<b>.....</b>	<b>2.0 %</b>
<b>\$400M - 499M</b>	<b>.....</b>	<b>2.5 %</b>
<b>\$500M+</b>	<b>.....</b>	<b>3.0 %</b>

## **Phase Two**

### **System Savings (second year on program)**

Pace will continue to be dedicated to maintaining reduced price levels and to reducing the number of forms being used at UNB. Pace will constantly search for ways to consolidate, design, eliminate or convert to electronic all existing printed documents.

To obtain systems savings, UNB and Pace Business Solutions must agree on the areas of study and the technique of measurement of systems improvement before signing a document that embodies the agreement.

## **H. Rush Delivery Orders**

1. If the rush delivery situation is caused by a Pace Business Solutions representative or supplier, than all extraordinary charges are absorbed by Pace Business Solutions.
2. If, on the other hand, the emergency is caused by UNB or its personnel, UNB is responsible for all extraordinary costs for production and freight.

## **I. Emergency Reprints**

1. If a mistake in an order is not caused by UNB, then Pace Business Solutions will provide correct reprints of the erroneous form, as ordered, in such a manner as to assure UNB that it will not exhaust its present supply of such form.
2. If a mistake in an order is caused by incorrect copy submitted by UNB, then Pace Business Solutions will provide correct reprints in such a manner as to insure the least possible inconvenience. UNB will be responsible for the cost of the reprint as well as the original order.

## **J. Miscellaneous Costs**

1. **Artwork Charges.** Pace Business Solutions maintains a staff of designers. There is no charge for their designs or work. There is no additional charge for typesetting of their work on the original order. If UNB requires a logo to be typeset and ready for print, other than what the designers can provide, UNB will be charged only for the cost from an outside supplier.
2. **Plate and or Die Charges.** On the original order of a form, Pace Business Solutions will absorb all costs to produce a plate and or die. On subsequent orders with changes to plates and or dies, UNB will be charged an amount predicated on the quantity of each form ordered. There is no charge if the order quantity is greater than 50M.

3. Warehousing Cost

a. If UNB previously stored the form with another vendor, and was charged for storage, then Pace Business Solutions will discount the cost by the same percentages listed under the Pricing Guarantee section. Forms will be stored for a maximum of one year (s).

b. Forms not previously stored will be handled according to the regular storage terms for Pace Business Solutions.

(1) On all orders for which storage charges are included in the per M price, the charges for one year or any part thereof are as follows:

- (a) Invoice at time of shipment: add 14% to forms cost.
- (b) Invoice at time of storage: add 8% to forms cost.
- (c) Freight from the producing plant to the warehouse is included in this percentage.

(2) On all orders for which storage charges are invoiced as a separate item, the following charges apply:

- (a) Invoice at time of shipment: ninety cents per carton per month to be added to the invoice for each shipment.
- (b) Invoice at time of storage: fifty-five cents per carton per month, on a separate invoice for each shipment.
- (c) Freight from the producing plant to the warehouse is included in the per carton per month figure.

4. Freight. Freight costs will be handled per UNB previous vendor arrangement unless a change is requested by UNB. UNB has the following options:

- a. Freight prepaid (included in forms cost).
- b. Freight as a separate item. The option must be determined at the time of order entry.

5. Terms. Net due upon invoice. Past due after 30 days.

**K. Pricing Controls**

1. Price Increase Criteria. All price increases will be justified by the following criteria:

- a. Any increases in the following bulk paper prices; bond, response mail, recycled, opaque, and drawing paper, specifically substantiated by major mills i.e., Georgia Pacific and International Paper, may be passed onto the purchaser. Such increases must be documented by Pace Business Solutions and authorized in writing by UNB.

## **L. Reports**

\*Pace Business Solutions will provide the following reports:

1. Physical Inventory Report: a monthly inventory compared with previous inventories.
2. Stock Status Report: the number and kinds of forms in inventory, on order, and in storage.
3. Grouping/Forecast Report: a schedule of forms included in group runs.
4. Accountability Report: a quarterly and annual vendor performance report that measures and reviews all activities within the account.
5. Customer Volume Report: a review of monthly and year-to-date purchases by UNB.

\* Listed are some of the typical reports companies prefer to use. Pace can provide various other configurations according to UNB's requirements. Reports can be used in conjunction with Satellite inventory control system.

## **M. Termination**

This agreement may be terminated by either party with 60 days written notice. UNB will be liable for all forms placed in production or in storage before the written notice of termination is provided.

## **N. Implementation**

After UNB has indicated through either signing and returning a copy of this Contract to Pace Business Solutions or a letter of intent that it is implementing the program, objective and target dates are set at an implementation meeting. The following areas will be addressed at this meeting:

1. Gathering samples
2. Gathering usage's, pricing, and tendencies
3. Taking initial inventory
4. Setting up files and catalogs
5. Identifying low inventory forms for immediate order
6. Aligning like sizes for first group run
7. Identifying warehousing sites (UNB and Pace Business Solutions)
8. Identifying chief UNB contacts.
9. Transferring inventory.

**O. Amendments**

Any amendment to this Agreement must be in writing and signed by duly authorized representatives of the parties.

**P. Governing Law/Jurisdiction**

This Agreement is governed by, and is to be construed in accordance with, the laws of the State of New Jersey. The parties hereto consent to the exclusive jurisdiction of the federal or state courts located in the State of New Jersey, with regard to any suit, action or proceeding hereunder or in condition herewith. To the extent permitted by law, each party consents to the service of process and other document in connection with any such action by registered mail, return receipt requested, in accordance with the terms of the Agreement. Nothing in this Agreement shall prevent any party from (a) enforcing any award or judgment in any other place where the party or its assets may be located or (b) seeking equitable relief hereunder anywhere in aid of and ancillary to a claim for damages or otherwise pending.

**Q. Waiver**

A waiver of any right accruing to any party pursuant to this Agreement shall not be effective unless given in writing. Failure by any party at any time to require performance by any of the other parties, or to claim a breach of any provision of this Agreement, shall not be construed as a waiver of any right accruing under this Agreement, nor will it affect any subsequent breach of this Agreement or the effectiveness of any provision of this Agreement, or prejudice any party as regards any subsequent action.

**R. Notices**

All notices given pursuant to this Agreement shall be in writing, and shall be: (a) delivered in person, or (b) telegraphed, telexed or faxed, or (c) sent, postage prepaid, by registered or certified mail, return receipt requested, to the party for which intended at the address of such party as hereinafter set forth or at such new address as shall have been last notified by said party to the other parties in accordance with this Section. Notice shall be deemed given on the date notice was actually sent. Copies of all notices served hereunder shall be directed as follows:

If to **United National Bank:**

PO Box 6000 1130 Route 22 East  
Bridgewater, NJ 08807-0010

If to **Pace Business Solutions:**

**S. Enforceability**

The invalidity or unenforceability of any provision of this Agreement shall not affect or limit the validity or enforceability of any other provision hereof and any such invalid or unenforceable provision shall be construed or deemed amended by the parties to the extent necessary to make it valid and enforceable.

**T. Relationship**

Neither party is hereby constituted an agent or legal representative of the other party, except as expressly set forth in this Agreement, and neither is granted any right or authority hereunder to assume or create any obligation, express or implied, or to make any representation, warranty or guaranty, except as are expressly granted or made in this Agreement. The relationship between the parties shall be deemed to be one between a licensor and licensee and not one of partnership or joint venture. Neither party shall have the authority to act for or bind the other party unless such authority is specifically granted in another document.

**U. Binding Effect**

This Agreement shall bind the parties hereto and their respective permitted sublicensees, successors and assigns.

**V. Severability**

Each of the provisions of this Agreement shall be deemed separate, severable and independent and in the event that any provision shall be claimed invalid by any court of competence in jurisdiction, such invalidity shall not in any matter effect or impair the validity or enforceability of any other provision of this Agreement.

**W. Caption and Section Headings**

Caption and section headings used herein are for convenience only and are not part of this Agreement and shall not be used in construing it.

**X. Counterparts**

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall be constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate counterparts by their duly authorized officers, each fully executed copy hereof to be deemed an original, as of the date first above written.

Accepted for:

Accepted for:

UNB

PACE BUSINESS SOLUTIONS

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



## 90 DAY ACTION PLAN

The following is a sample 90-day action plan for implementing a forms management program between Pace Business Solutions and UNB

Since this is only a sample of an action plan, actual dates, departments, and services are not necessarily provided, although they would have to be in a real plan.

Any legally binding document should be reviewed by legal counsel before it is presented and signed.

### **A. Forms Collections: Day 1 through Day 21**

Letters will be sent to each department of UNB requesting collection of a sample of every form used by that department. Collection is to include inventoried, print shop, photocopied, and handwritten forms. Samples from each department will be collected by Day 21.

### **B. Forms Analysis: Day 22 through Day 60**

Pace Business Solutions will analyze each collected form and then meet with personnel of various departments of UNB to discuss changes, additions, or deletions. Any changes, additions, or deletions developed by Pace Business Solutions must be approved by representatives of UNB. Forms analysis will include assigning function codes based on each form's individual function and its interrelationship to all other forms. With the approval of UNB, Pace Business Solutions will develop a forms numbering system so that each form is distinguishable from all others.

### **C. Forms Control File: Day 28 through Day 60 (and ongoing)**

After collected forms have been analyzed by Pace Business Solutions, and after revisions have been developed by Pace Business Solutions and approved by UNB, specification sheets for all forms will be developed by Pace Business Solutions starting on Day 28 and completed by Day 60. Information from each specification sheet will be input to the forms control file as each specification sheet is made available. As an ongoing project, departments must notify personnel in charge of the forms control file when changes, additions, or deletions to forms are required.

### **D. Forms Catalog: Day 61 through Day 90 (and ongoing)**

Pace Business Solutions will develop and print an updated forms catalog based on the function codes and forms numbering system developed by Pace Business Solutions and approved by UNB. The catalog will be printed and distributed to all departments of UNB by Day 90. The catalog will be kept as part of the forms control file so that changes, additions, or deletions to it can be made as they are made to forms.

### **E. Printing, Storage, and Billing: Day 90 (and ongoing)**

After forms have been collected, reviewed, revised, and approved by UNB and their information input to the forms control file, orders for their production can be submitted to Pace Business Solutions. Production and storage of all orders (except cut sheet orders) will be based on order quantities as stipulated in the contract. All cut sheet orders will be produced and stored as described below:

- \* 1000 or more: printed by Pace Business Solutions and stored at the warehouse.
- \* 250 to 999: printed by Pace Business Solutions and shipped to UNB.
- \* Less than 249: photocopied by Pace Business Solutions and shipped to UNB, for storage.

Billing for forms order will be done in accordance with the terms and conditions stipulated in the contract.