



Solicitation Number: RFP #052324

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Precor Inc., 20031 142nd Ave. NE, Woodinville, WA 98072 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Fitness Equipment with Related Accessories and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires July 29, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. **SALES TAX.** Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted

price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for products liability-completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcwell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcwell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcwell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcwell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. **ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE.** Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcwell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with

the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and

records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Precor Inc.

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489...
By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 7/29/2024 | 11:54 AM CDT

DocuSigned by:
Dave Elton
B44F7BED49DD450...
By: _____
Dave Elton
Title: Global Hospitality Manager
Date: 7/29/2024 | 9:23 AM PDT

RFP 052324 - Fitness Equipment with Related Accessories and Services

Vendor Details

Company Name: Precor Inc.
Address: 20031 142nd Ave NW
Woodinville , WA 98072
Contact: Dave Elton
Email: dave.elton@precor.com
Phone: 480-216-1235
HST#: 36-3313495

Submission Details

Created On: Tuesday May 07, 2024 12:59:27
Submitted On: Tuesday May 21, 2024 15:03:48
Submitted By: Dave Elton
Email: dave.elton@precor.com
Transaction #: ab008082-82f4-4817-ad2d-d35d6cde78e4
Submitter's IP Address: 199.91.248.226

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Precor Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	TAG Fitness, Escape Fitness, Power Lift, Beaver Fit
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A
4	Provide your CAGE code or Unique Entity Identifier (SAM):	CAGE Code # 0UF67
5	Proposer Physical Address:	20031 142nd Ave NE. Woodinville, WA 98072
6	Proposer website address (or addresses):	www.precor.com
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Dave Elton - Global Hospitality Manager - 20031 142nd Ave NE Woodinville, WA 98072 - dave.elton@precor.com - Cell: 480.216.1235
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Dave Elton - Global Hospitality Manager - 20031 142nd Ave NE Woodinville, WA 98072 - dave.elton@precor.com - Cell: 480.216.1235
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Stephen Alvezi - Country Club Manager - 20031 142nd Ave NE Woodinville, WA 98072 - 617.650.1308 stephen.alvezi@precor.com

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
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<p>10</p>	<p>Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.</p>	<p>Precor has been in business since 1980 (44 years). We are one of the foremost suppliers of fitness solutions across the globe. With sales in over 100 countries, Precor is ideally positioned to meet all your business needs. From 2002 - 2021 we were part of the Amer Sports Corporation, one of the leading sporting goods companies in the world, with a brand portfolio including Salomon, Wilson, Suunto, Atomic, Arc'teryx, and Mavic. Amer Sports is a \$3B publicly-held company and is listed on the Helsinki Exchange (AMEAS: FH).</p> <p>In 2021 we were purchased by Peloton, the largest Fitness Equipment Company in our Industry. In July of 2021, we broke away and started operating as an independent company. While still owned by Peloton, it has allowed us to focus on the great product quality and customer service that we have always been known for. Through a strong focus on Experience Design, Precor delivers best-in-class products, top- ranked service, unparalleled expertise and resources needed to help facility operators win. We innovate to develop smart solutions and create custom fitness experiences that solve real problems operators have. We work to minimize risk and shoulder complexities that allow our products and services to elegantly integrate into facilities.</p> <p>Our record of delivering breakthrough products and movements is unmatched and includes a long list of firsts: the first cushioned treadmill, the first elliptical, the first adaptive motion trainer, the first capacitive touchscreen console, and the innovative features in our open- architecture networked fitness offerings. These insights come from a special commitment to deeply understand operators and exercisers and to work collaboratively with outside inventors and partners. Precor is extremely well positioned to offer our customers a highly differentiated value. We offer Cardio, Strength and Functional Training products. Either through products we make or through partnerships with companies like Escape, Beaver Fit, TAG and Power Lift.</p> <p>At our core we are a company that cares about quality and are focused on manufacturing in the US. While many companies after 2008, moved manufacturing to China, we re- invested in making the best quality that you can get. Our products are considered to be the best quality in the Fitness Industry. For those that value High Quality and the fact that something is made in America, we are a great fit for those customers.</p> <p>At Precor we pride ourselves on being a continued leader in the fitness industry, but what makes Precor so special? It starts with the passion of our employees. On the walls in the Precor headquarters there are eight sentences that our employees live by every day. It's even read before each all- employee company meeting as a way to remind us that what we do each day can have such an enormous impact on people's lives.</p> <p>It's the Precor creed, and we wanted to share it with the rest of the world because we think they're great words to remember:</p> <p>I desire a life without limits.</p> <p>I believe fitness is key to living the life I desire. I believe in the power of the human spirit.</p> <p>I believe the human body is an amazing thing.</p> <p>I believe tomorrow will be even better because of my actions today.</p> <p>I believe in the importance of doing things right versus first.</p> <p>I believe in mutual respect and the overwhelming returns of sharing.</p> <p>I am the heart and soul of Precor.</p>
<p>11</p>	<p>What are your company's expectations in the event of an award?</p>	<p>We are currently on the Sourcewell Contract and we will continue to drive sales via the our large salesforce of over 200 Reps across the US & Canada. We are the leader in the Fitness Equipment category for Sourcewell and have been for years. and we will continue to grow our sales.</p> <p>We have been on the on the Sourcewell Contract for almost the past ten years. Precor has sold more per year than any other Fitness Manufacturer on national Cooperative Contracts. Our Dealer reps also work with other Sourcewell Approved vendors like National Cooperative Leasing and Northwest Rubber. Precor has the highest quality Fitness Equipment in the world. Customers like Universities and Police & Fire Departments are really rough on equipment. They value our product quality, durability and more importantly our Customer Service.</p> <p>Our expectation is to continue to dominate sales to Universities, High Schools, Parks & Rec. and Police & Fire. Sourcewell is a big part of that Strategy!</p>

12	<p>Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.</p>	<p>We are a wholly owned subsidiary of Peloton, which is a public company. Their SEC filings can be found here - https://investor.onepeloton.com/financial-information/sec-filings. (see attached financials)</p>	*
13	<p>What is your US market share for the solutions that you are proposing?</p>	<p>Our approximate Market Share for the products that we are proposing is about 20%.</p>	*
14	<p>What is your Canadian market share for the solutions that you are proposing?</p>	<p>About 15%</p>	*
15	<p>Has your business ever petitioned for bankruptcy protection? If so, explain in detail.</p>	<p>No.</p>	*
16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>We are a Manufacturer that does most of its Go-To-Market sales to Sourcewell customers via our Dealer Network. We have the largest Dealer Network in the Fitness Industry. The Dealer Network is Independent of Precor. But, we do have exclusive agreements for the Territories that most of our Dealers cover.</p> <p>We have over 200 Dealer Sales reps throughout the US & Canada. We have over 300 Service techs that are a combination of 3rd Party Techs and Dealer Service Techs. We also have 20 Direct Service Techs. This allows us to provide a higher level of local Sales & Service support than any other company in the Fitness Industry.</p> <p>One item of note it that as of 2015, all of our Service Techs are required to go through Factory Certified training every three years. In 2016, we cut off over 175 Service Techs that were not compliant. We are the only manufacturer to require all of its Servicers to be factory trained.</p>	*
17	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>We require all new sales reps to go through a week long Sales Training school at our factory in Woodinville. We also require all of our Service Techs to go through a week long service school and they must "pass" a test, in order to be a qualified tech with a Certification number. No other company in the Fitness Industry does that as a "requirement" for Sales or for Service. That focus on the quality of training the person that a customer interacts with (either a Sales Person or Service Tech) is unique to Precor, in the Fitness Industry.</p>	*
18	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>N/A</p>	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>We are a finalist for the 2024 Industrial Design Excellence Awards. Sponsored by the IDSA. It is the premium award for new product design in the country. We have a couple of products that are finalists for that award.</p> <ul style="list-style-type: none"> -King County Distinguished Business in the Green Award -King County Industrial Waste Gold Compliance Award -King County Industrial Waste Commitment To Compliance Award -King County Model Metal Working Fluid Management Program designation -Washington State Department of Ecology Metal Machining Sector Best Practice recognition -Washington State Labor & Industries Model Ergonomic program Ergonomics-in-Action Award -Seattle Business Magazine's Community Impact Awards: Sustainability in Business Operations -City of Greensboro Industrial Waste Award for Pretreatment Excellence: -North Carolina OSHA Gold: 2012 and 2016; OSHA Silver: 2013 and 2014 • 94% landfill diversion rate—over 760 tons of waste are recycled or reused annually <p>2018: Anytime Fitness Vendor of the Year, Gold's Gym India Vendor of the Year, Anytime Fitness Mexico Vendor of the Year 2017: Anytime Fitness (Mexico) Vendor of the Year 2015: 24 Hour Fitness Vendor of the Year 2014: World Gym Vendor of the Year</p>
20	What percentage of your sales are to the governmental sector in the past three years	3%
21	What percentage of your sales are to the education sector in the past three years	Our Vertical Market Sales to the Education Sector have averaged about 20% of our Sales.
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Sourcewell is only Co-operative Purchasing Contract that we are on. We have done around \$13 million on the Sourcewell Contract the past three years
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Precor has a GSA Contract. We average just over \$3m per year on that contract.

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
Oregon State University	Barry Evans	541.737.9417
University of Southern California	Mike Munson	714.357.0611
Cornell University	Jen Gudaz	369.280.2782

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
University of Pittsburgh	Education	Pennsylvania - PA	We have equipped over 19 Fitness Centers on Campus. Recreation, Athletics & Student Housing.	Various	\$700,000
University of Southern California	Education	California - CA	We have done multiple refreshes for their three Student Recreation Centers on Campus.	Various	\$400,000
University of Oregon	Education	Oregon - OR	We did their entire new Recreation Center seven years ago. We started doing a refresh of that equipment recently.	\$200,000	\$200,000
University of North Carolina Greensboro	Education	North Carolina - NC	We did their entire new Recreation Center 8 years ago. They just started to refresh their Cardio equipment.	\$50,000, \$50,000, \$80,000	\$180,000
Pomona University	Education	California - CA	They built a new Student Recreation Center that opened in 2022.	\$600,000	\$600,000

Table 6: Ability to Sell and Deliver Service

Describe your company’s capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
26	Sales force.	We have the largest Dealer Network in the Fitness Industry, in the US and Canada. We have over 200 reps that cover all 50 States and 10 Provinces and 3 Territories. (As a side note, we have over 400 reps that sell our equipment into over 100 Countries globally)
27	Dealer network or other distribution methods.	We have a Dealer Network of just over 200 Distributor reps among 24 companies throughout the US & Canada. Those reps are required to go through sales training at our corporate office, prior to starting to sell our products. The majority of our Distributors have physical locations (Warehouses) in their Markets. Most also do their own Delivery and Service. (Unlike some companies in the Fitness Industry where they might have a rep that covers 4 states for Sales).
28	Service force.	We have over 300 Service techs throughout the US & Canada. Our Service are required to go through a week long certification training at the Precor Factory every three years. We are the only company in the Fitness Industry that does that. Our training classes are limited to 11 people max. Whereas our competitors will hold a class of 50 people watching a PowerPoint for three days. Our Certification classes are limited to 11 students and are very hands on. Service Techs must pass a test at the end of the class or they will not be certified. - In 2015, we notified over 460 Service Techs that they would be required to attend Factory Training every three years. If Techs did not comply they would be terminated. We ended up cutting off almost 200 Techs as a direct result. We have built back up our Certified Tech Network to just over 300 techs. Precor currently is the only company in the Fitness Industry that requires Factory Certification for techs. We also are the only company that requires it every three years. We view Service as a point of distinction between us and our competition. Below is a link to an interactive map of all of our Service Techs. https://app.mapline.com/map/map_1ed47b28/dIN2Y0FZWHISVTIoUVNza21xSzZXcEtOQy9qQINTUkYrdUNvc2

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Our local Dealers Quote & Service our Products. We believe in having a strong local presence where the customer knows our rep from frequent customer service visits.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	We have over \$7 million dollars in parts in our Parts Shipping Center in Woodinville, WA. We have maintained a 96.9%, 24 hour fulfillment rate (ships within 24 hours of the order being placed) for our parts this year. The parts shipped would also include products that could be as old as 15 years old. We pay our Service Techs a \$40 bonus if a Warranty Claim is resolved within 24 hours. We pay them a \$20 bonus if a Warranty Claim is resolved in 48 hours. All techs that work on Precor Products must past an in person Training & Test at our Coporate office.	*
31	Describe the serviceability of the products included in your proposal (parts availability, technical support, etc.)	We are making a shift this year to, two Parts Warehouses. We will have Parts Warehouses in Woodinville, WA and Greensboro, NC in order to better facilitate faster and cheaper Parts Shipping. That change will be happening in August of 2024. We keep just over \$7 million in Parts in our Woodinville location now. We have a 96.9% fulfillment rate if an order comes in before 2pm. We have online Tech Support and are rolling out our new version of Precor Connect. This will give Service Techs a higher level of Tech Support in the field. Rather than going back and filling out paperwork, reps can click on a bubble diagram in the field and add the part to their cart. They can also watch a short video on their phone showing them how to replace the part if they have not done it before.	
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	We have Distributor Rep Coverage in every State in the US. We have the largest coverage of any company in the Fitness Industry with just under 200 reps in the US. For the past 10 years no Fitness Company has done more Fitness Equipment Sales than the Precor Distributor Network.	*
33	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	We have 10 reps for the 10 Provinces in Canada. We started to have success with Fitness Equipment in the past year with the Canoe Program in Canada. We started pushing RMA 4-5 years ago in Canada, trained our reps and made sure that they were onboard. We did not finally have success until this year.	*
34	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We do not have any geographic limitations.	*
35	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	There are not any sectors that we will not be fully serving.	*
36	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no restrictions.	*

Table 7: Marketing Plan

Line Item	Question	Response *
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<p>37</p>	<p>Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.</p>	<p>The most critical element of our marketing strategy is to educate our Authorized Distributor Representatives about the details of the Sourcewell contract and how to communicate most effectively the benefits of the program to our end customers. We implemented a strategy over the past two years to ensure the 150 representatives we have across North America are all in alignment. Should Precor be fortunate enough to receive a Sourcewell award again, we would immediately re-educate our partners via webinar training on the tools and resources that are currently available and will take additional actions to ensure that Precor is promoting the program through our direct channels as well as our Authorized Distributor Representatives.</p> <p>Sales tools and resources currently available:</p> <ul style="list-style-type: none"> • Central location to access all information and assets including Sourcewell overview, key positioning statements, agreement highlights, pricing overview and contract details. Access is controlled by Precor to ensure that only approved authorized representatives can view and download materials. (A few examples are attached) • Video filmed at the Sourcewell office for representative education with a visual presentation of the program and a connection to our account representative, Michelle Spychalla. • Quick Resource Guide for sales representatives to have direct links to individual tools. <p>Ongoing and Additional actions to be taken within 90 days of contract award:</p> <ul style="list-style-type: none"> • Host webinars with Sourcewell account representative and Precor Authorized Distributors to review membership specifics, agreement terms, and Sourcewell sales and * marketing support. • Establish a regular schedule for communication between Precor Segment Manager and Sourcewell Account Representative to review program successes, ensure protocols are being followed, and to resolve any challenges should they arise. • Collaborate with Sourcewell to create press release communications that can be shared through our distributor partners highlighting the benefits and process for purchasing through the contract agreement. • Develop updated email campaign communications promoting the Sourcewell - Precor relationship for our partners to deploy through their CRM systems. • Promote Sourcewell - Precor relationship and include details regarding the agreement via the Precor Education Market page. • Report quarterly updates detailing the success of the programs to internal teams and partners. • Communicate quarterly success stories to help educate the benefits of utilizing the Sourcewell contract to solidify a deal. • Develop relationships with prospective customers through our distributor partners and build awareness of the Sourcewell contract in the market segments that Sourcewell serves through digital advertising, trade shows and industry events, email campaigns and social media. • Commit to following up on leads provided by Sourcewell in a timely manner and work in partnership with Sourcewell to develop a list of opportunities that our distributors will target.
<p>38</p>	<p>Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.</p>	<p>Precor builds brand awareness and markets products and services through a variety of channels. Our primary focus is digital, as this has proven to have the widest reach to our target markets, and we can evaluate its effectiveness through analytics. It has become increasingly important to utilize several different platforms to market to current and potential Sourcewell members and influencers. We utilize LinkedIn, Facebook, Instagram and Twitter for daily social communications, but are also active on YouTube. Since 2017, we have grown our Instagram following from 3,000 followers to over 12,000 and nearly doubled both our LinkedIn and Youtube following. We contribute this increase to the aligned and consistent brand voice that our customers have come to recognize and seek from Precor. Our Precor sales representatives and authorized distributor representatives undergo social media and content training as part of their onboarding process. This empowers our 150+ sales representatives across the United States to build their own brand while extending the Precor brand to a much broader audience. Our content and social media team creates and distributes a quarterly social media guide to all sales representatives with curated content, including customer success stories, Precor news, product launches, resource articles, unique installations, etc. Precor provides the content and visuals for each social platform so it is easy to manage their social presence and spread the Precor brand. These efforts have helped our distributor partners increase their online following, connect with customers, and reach key audiences with content that is educational and inspirational. Should we be awarded a Sourcewell contract, we would plan to utilize these channels to celebrate customers that benefitted from purchasing via the Sourcewell contract, while educating others about the program and its benefits.</p>

39	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	There are two areas in which Sourcewell is/can be the most impactful. The first is the daily conversations with purchasing people to explain why Sourcewell is a viable option. We make a strong effort with our Dealer reps to direct customers to talk to Tonya Spens. She is a very important part of the process for our sales teams. These conversations are invaluable. The second is at the State level in some states. For example: The consistent message that we get from schools in the state of South Carolina, is that the state has legislation against Sourcewell. Helping to breakdown those larger barriers at the state level is key to use being able to grow sales (without going to bid more in those states).
40	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	There is an e-procurement system on the Road Map for our IT/Sales Team for late 2025.

Table 8: Value-Added Attributes

Line Item	Question	Response *
41	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply. Please include your offering of virtual programming, training or integration (i.e. app based, pre-recorded, live, etc.).	One great example of this is our Technical Training Course. We offer Service Training to Universities for example. Many schools have their own in-house Service Techs that service their equipment. We offer a course to train those techs. The course is limited to 11 people and is very hands-on. The diagnostic thought process that we teach is unique in the Fitness Industry. Everything we do in the class prepares people to fix equipment better. Recently a tech from a school attended our class and another. He said "I went to your competitor's class. There were 50 of us in a room and we looked at Power Point all day. With your class, it is small group (limited to 11 people) and it is very very hands on. I learned so much more from this training". - We do require every tech to come to the factory for Training. But, we offer a re-certification online for techs to pass. We are also launching a re-vamp of our Precor Connect. This gives Techs in the field the app-based support from their phones to View Bubble Diagrams, Order Parts, Submit Warranty Claims and a Library of How-To Videos on Repairs and Parts Replacement. This also speeds up the process of ordering parts.
42	Describe any technological advances that your proposed products or services offer, including manufacturing processes.	We recently launched a new high-end Console for our Cardio Equipment. It allows Exercisers to cast entertainment from their phones. We have proprietary technology for the next few years that prevents others from doing the same. It has been a huge hit with customers. Related to manufacturing processes. We don't outsource the majority of our parts for our machines. Most of them we bring in the raw materials and machine them ourselves. We have 23 very sophisticated CnC Machines. We believe that we can manage the quality control better than a 3rd Party Vendor.
43	Describe how advanced technology influenced the design and functionality of your fitness equipment.	For the latest two product families we've produced, advanced technology was both inspiring and useful in the design and functionality. The PX4 Consoles were designed and developed largely during pandemic lockdowns when 'cleanliness' was indeed next to, or above godliness. We looked at laboratory equipment and other implements that needed to be 'impermeable' to determine how to make our surfaces the most cleanable. We also wanted to bring the look of the new consoles into a more modern time, where technology is less 'celebrated' and more 'embedded' into many aspects of people's personal existence. That suggested the forms be simpler, comfortable, not ostentatious about the tech but placed into forms that fit the human body. You see this in many personal electronics now, especially things like home routers, Wi-Fi satellites and IoT devices. The new bikes were completed on a very aggressive timeline, so we did use Virtual Reality tools like Oculus Quest headsets and Gravity Sketch to create and evaluate shapes. In one example we positioned a new RBK concept right over a plain wooden model, so that a headset wearer could 'sit' on the real bike and have a more accurate impression of the geometry and volumes. The Quest headsets and controllers themselves are very fine designed objects, and that probably also played a subconscious part in the bike development. On some new products we have been really inspired by advanced technology coming from the 'Super Shoe' world - the wild looking running shoes that elite marathoners use in high profile races. They are a mix of ergonomics and exotic materials, designed to be highly functional but also visually striking and memorable. We think these are important qualities to try and imbue in our design work.

44	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	We recently completed a "Green House Gas" Audit. see results in the link below. This is part of a broader initiative to measure our Sustainability. We also just started with a Company called Ecovadis. They measure corporate sustainability goals, and drive impact at scale by guiding the sustainability performance improvement of your company in our supply chain. We just started the process and are at least 3-4 months away from getting an initial scorecard that we will start to chip away at. https://investor.onepeloton.com/static-files/fbd7eff7-8fde-4d68-a2ca-35c1bf045ffc	*
45	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	We do incorporate energy efficiency in the design sometimes, but not enough to seek or garner recognition.	*
46	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	All of our Vertical Market Business is done via our local Distributors. We have Distributor Partners that are WMBE. Probably the best example of that is Marathon Fitness which is a Woman Owned Business based in Texas. They are our second largest Distributor in the country. (see attached certificate/there was only room for one document to be uploaded)	*
47	What unique attributes does your company, your products, or your services offer to Sourcwell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcwell participating entities?	Universities, Police and Fire Departments are much harder on Fitness Equipment than that average Health Club Member. We build very very durable products that stand up well to rugged use. At Precor we do Accelerated Life Testing on our Products long before launching it. We design mechanical apparatuses to test our equipment. Example, we will have a 1,000 "person" walk on a piece of equipment for a year, 24 hours a day. To see where the failure points will be on a piece of equipment. Other companies design it and build it. We do real life testing to make sure we are putting out the best quality products. That is why we have the lowest failure rate in the Fitness Industry.	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
48	Do your warranties cover all products, parts, and labor?	Yes	*
49	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No	*
50	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes, we pay mileage. We also give extra dollars for speed of repairs. For example: We pay an extra \$40 for a repair that is completed within 24 hours and an extra \$20 for a repair that completed within 48 hours.	*
51	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcwell participating entities in these regions be provided service for warranty repair?	No, we do not have areas that we cannot service.	*
52	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?	Those warranties are typically passed on to the original manufacturers. We work through local Distributor Partners and they have their own service and service those Warranty Claims on the products that they sell via the Sourcwell Contract.	*
53	What are your proposed exchange and return programs and policies?	Customers can do returns, but due to shipping out of box products etc. We charge a 15% restocking fee. We also have a "Lemon" Policy, that if we cannot fix an item after five service calls for the same item, we will return that item at no charge to the customer	*
54	Describe any service contract options for the items included in your proposal.	We have an entire menu of Extended Warranties and Preventative Maintenance Contracts that customers can buy or build into their Operating Leases.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
55	Describe your payment terms and accepted payment methods.	Our payment terms are 50% Deposit and 50% Net 30.	*
56	Describe any leasing or financing options available for use by educational or governmental entities.	<p>Yes. We also have worked with NCL Leasing as an example. We did a very large City Parks and Recreation Lease for a Rec Center (Germantown Athletic Club) in Tennessee.</p> <p>North American finance options: The description of parameters listed below are based on our North American financing options, and describe some of our finance capabilities:</p> <p>Types of financing available:</p> <ul style="list-style-type: none"> ■ Capital Leases ■ Operational Leases ■ Fair Market Value (FMV) Leases ■ Loans ■ Small Business Administration (SBA) <p>Term length and structure:</p> <ul style="list-style-type: none"> ■ \$0 down (OAC) ■ Up to 3 months of interest only or deferred payments (OAC) ■ Step-up payment structures are also available ■ Seasonal payments and seasonal deferrals are also available ■ Up to 60-month terms available ■ No commitment fees or origination fees <p>Interest Rates: Interest rates will be competitive within the fitness industry. Interest rates will vary based on a variety of factors (financial markets, deal size, length of term, credit-worthiness, etc.)</p> <p>All proposed Terms and Conditions are based on financial market conditions and final credit approval.</p>	*
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Standard terms and conditions are at the end of our quote (attached). I have also attached a copy of our Preventive Maintenance Agreement.	*
58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	We accept P-Cards. There is not an extra cost to Sourcewell.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
59	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. Upload your pricing materials (if applicable) in the document upload section of your response.	We have included a Detailed Pricelist. There are six different product category discounts (35%, 30%, 25%, 20% 15% & 0%). We have listed each SKU on the pricelist, along with the % discount for that item and its respective price.
60	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Percent Discount from MSRP. We have six tiers of pricing discounts 35%, 30%, 25%, 20%, 15% and 0% (0% is mainly on a few odd accessory items that are provided that we do not mark up).
61	Describe any quantity or volume discounts or rebate programs that you offer.	We have the following Volume Discount built into our current Sourcewell Contract: -\$200,000+ Additional 2% Discount -\$300,000+ Additional 3% Discount -\$400,000+ Additional 4% Discount This additional Discount for Volume has also been added at the bottom of our Sourcewell Pricelist in the Terms & Conditions.
62	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.	We have Partnership Agreements with Power Lift, TAG Fitness, Escape Fitness and Beaver Fit. These partnerships cover almost any "Sourced Goods" Item that a Customer might want. While we include these items on our Pricelist, Precor does not profit or make a percentage on these products. They help us win a lot of deals with Precor Product on them.
63	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Freight, Delivery & Install charges are not included in the price. Typically depending those charges run about 12-15% of the total of the equipment. (This is a standard amount in the Fitness Industry).
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	These are quoted on a per deal basis. Typically this runs between 12% - 15% of the purchase price. The biggest variance in this is the distance from our factories in Seattle (Cardio Equipment) and Greensboro (Strength Equipment).
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	These are quoted per deal. Typically our Dealers in those markets combine their orders into a 20 ft. or 40 ft. container in order to decrease the Freight cost to the customers.
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	N/A

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
67	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	The Sourcewell Pricing is the baseline pricing from which we pivot for State Contract Pricing. In other words, State Contract Pricing is intentionally higher than Sourcewell Pricing. We do not participate in other GPOs. We are very satisfied with Sourcewell.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
68	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 participating entities 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. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Our Dealer reps report all sales via our Warranty Registration Portal. In order for a product to have a Warranty, it has to be registered in our portal. Dealers then check a box and designate that transaction to be a Sourcewell Transaction. Every month we go through each transaction manually, to make sure that we have not missed any sales and that the pricing is accurate.
69	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	We track our quarterly sales for Sourcewell and are constantly trying to beat the previous year's quarter. We are just a little competitive.....
70	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 the RFP and template Contract for additional details.)	We propose that we will continue to pay the 2% administrative fee that we are already paying.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
71	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>We offer a full range of any product that a Gym, University Rec Center etc. might buy for their facility. Whether it be through products that we make or Partnerships that we have.</p> <p>Some items in which Precor differentiates from our competitors:</p> <p>TREADMILLS: Treadmills are the most popular & most expensive cardio product, but also break down the more than any other piece of equipment. 24 Fitness did the most exhaustive research into treadmills in our industry a few years ago when they were getting ready to buy 1500 treadmills (spend \$17 million). They had the best 4 Service Techs out of 100 they employ, fly in and take apart every treadmill. They determined that the Precor Treadmill was by far the highest quality in the industry.</p> <p>ELLIPTICALS: 2nd to Treadmills, Ellipticals are the most popular items in a fitness center. We invented the category and have 23 patents that other companies have to design around. No other Elliptical in the industry has elevation for example.</p> <p>UPRIGHT & RECUMBENT BIKES: We have this category covered with various different price points and displays.</p> <p>STAIRCLIMBERS: Revolving Stairs or Stairclimbers have extremely popular.</p> <p>SELECTORIZED EQUIPMENT: We have two different lines/price points of Selectorized Weight Equipment.</p> <p>FREE WEIGHT EQUIPMENT: We have two lines/price points for customers.</p> <p>WEIGHT PLATES: Bumper Plates, Olympic Plates etc.</p> <p>DUMBBELLS AND KETTLES BELLS:</p> <p>ACCESSORIES: Via our Partners Escape Fitness & TAG Fitness we offer all of the accessories that a facility would want.</p> <p>INDOOR CYCLING: Spinning is the largest and most recognized Global Brand of Indoor Cycle Classes. We just brought on the Stages Bikes and we are adding them to our offering.</p> <p>NETWORKED FITNESS: We were the first-to-market with bringing out Networked Fitness Cardio products to the Fitness Industry. We have over 100,000 Networked Fitness Cardio products in over 72 different countries. Many customers recognize Precor as the industry leader in Networked Products.</p> <p>FUNCTIONAL TRAINING: We recently formed a Partnership with BeaverFit. They make a fantastic array of Functional Rigs and Racks.</p> <p>SERVICE: We are considered the Fitness Industry leader in quality of service. Tech training and Parts availability are the key two components that we continue to invest in, that set us apart.</p> <p>PRODUCT QUALITY: If you surveyed 1000 Club Owners and asked them to rate product quality, you would find that they rate us as the top company in the Fitness Industry. The vast majority of customers would rank Precor 1st in product quality vs. the other three major global brands Life Fitness, Technogym & Matrix. See below link, as evidence of product quality as a result of long term residual value.</p>
72	Describe the unique design, features, or attributes of the equipment and accessories offered in your proposal	<p>Some things that make us unique are: The Elliptical, we invented it and others have to design around our 23 patents on it. Networked Fitness, we brought that to the Market and have continued to innovate, including adding Casting entertainment to our displays. We just launch a series of Glute Builder Products. These are top of mind for every University in the country right now. Connected Fitness Products are all the rage right now. We/Peloton (our parent company) has the #1 Connected Fitness Products on the Market.</p>
73	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	<p>Some interesting sub-categories are: Connected Fitness: We are at the very beginning of the wave of this. The simple version of this is someone in the Gym doing a Workout following along to a YouTube Video. The other end of the scale is a guided workout via Peloton and the addictive cult-like following that has created. Outdoor Fitness: We formed a partnership with Beaver Fit to bring outdoor fitness to a broader range of customers. They have been the premier company to outfit Military Bases around the world. We are helping them break into Police, Fire, Universities & Parks & Rec. where we are strong. Overall here are the product sub-categories that we represent: Cardio, Strength, Functional Training, Weights, Functional Accessories. We sell everything that you would put into a gym.</p>

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
74	Individual or group cardio training equipment and related accessories.	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have Spinning Bikes, Assault Cardio Products, Accessories from TAG, Escape etc. that compliment anything you might want in Individual or Group Training. *
75	Individual or group strength, agility, and mobility training equipment and related accessories.	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have Spinning Bikes, Accessories from TAG, Escape etc. that compliment anything you might want in Individual or Group Training. *
76	Equipment and related accessories for vocational and exercise/sports rehabilitation or therapy of joint and muscle injuries.	<input checked="" type="radio"/> Yes <input type="radio"/> No	The Accessories that we offer from Escape cover a wide arrays of needs in this area. From Recovery to Rehab. We have a large selection. *
77	Technology and online or virtual programming related to the equipment and accessories described in Lines 74-76 above, such as integrated devices, subscription services, and fitness programming	<input checked="" type="radio"/> Yes <input type="radio"/> No	From the Peloton App, Peloton Equipment that you can spin the display and follow an exercise to the Escape MARS Screen & App. We cover a broad array of Virtual Programming. *
78	Services related to the equipment described in Lines 74-76 above, including training, testing or calibrating, maintenance or repair, installation, design, and warranty programs. However, this solicitation should NOT be construed to include "service-only" solutions. Proposers may include related services to the extent that these solutions are complementary to the equipment and accessories being proposed	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have an array of Programming that comes with our displays. There is also a Free Version of the Peloton App that users can participate in. It does not include Live Classes, but gives users a very robust array of classes. *

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 79. NOTICE: To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the "Bid Documents" section. Proposer must upload the redline in the "Requested Exceptions" upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

Do you have exceptions or modifications to propose?	Acknowledgement *
	<input type="radio"/> Yes <input checked="" type="radio"/> No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding

to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- [Pricing](#) - 2024 Sourcewell Price List 5_20_24.pdf - Tuesday May 21, 2024 14:46:55
- [Financial Strength and Stability](#) - Peloton Financials 5 2 2024.pdf - Wednesday May 15, 2024 11:57:16
- [Marketing Plan/Samples](#) - Sourcewell Marketing Plan.pdf - Monday May 20, 2024 12:23:58
- [WMBE/MBE/SBE or Related Certificates](#) - W9_HUB_WBE_SBE.pdf - Wednesday May 15, 2024 10:50:22
- [Warranty Information](#) - Precor Warranty rev.pdf - Wednesday May 15, 2024 10:56:55
- [Standard Transaction Document Samples](#) - Sourcewell - Example Forms.pdf - Wednesday May 15, 2024 17:43:33
- Requested Exceptions (optional)
- [Upload Additional Document](#) - Example PM Agreement.pdf - Wednesday May 15, 2024 11:26:30

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, 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.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Dave Elton, Education Market Manager, Precor Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_RFP_052324_Fitness_Equipment Thu May 9 2024 03:43 PM	<input checked="" type="checkbox"/>	6
Addendum_3_RFP_052324_Fitness_Equipment Mon May 6 2024 01:32 PM	<input checked="" type="checkbox"/>	2
Addendum_2_RFP_052324_Fitness_Equipment Wed April 17 2024 12:33 PM	<input checked="" type="checkbox"/>	1
Addendum_1_RFP_052324_Fitness_Equipment Thu April 11 2024 02:06 PM	<input checked="" type="checkbox"/>	1