



One Woodbury Blvd, Rochester, NY, Tel 585-238-2876, Fax 585-238-2899

April 3, 2007

Mr. Stan Hutchinson
 Contract Specialist
 General Services Administration (3FNO-CO)
 National Furniture Center
 2200 Crystal Drive, Suite 400
 Arlington, VA 22202

Dear Mr. Hutchinson,

FM Office Express, Inc. d.b.a. Merkel Donohue is pleased to provide this **Final Proposal Revision** with respect to the General Services Administration's (GSA) Solicitation Number 3FNH-A3-000001-B.

FM Office Express offer for the services are as follows:

- Installation: Project by project basis, not to exceed \$39.00 per hour
- Ancillary Services: Ancillary Service at a rate of \$49.50 per hour
- Site preparation: Site Preparation at a rate of \$40.50 per hour

The following contracts are hereby attached:

<u>Contractor</u>	<u>Contract Number</u>	<u>Schedule</u>
STEELCASE	GS-28F-0014T	71-I
901 44th Street, SE	711-1, 711-2, 711-3, 711-8	
Grand Rapids, MI 49508	711-10, 711-11, 711-16, 711-17	
	711-18, 711-19, 711-93, 711-94	
	711-96 & 711-96	

<u>Product Lines</u>	<u>List Tiers</u>	<u>Net Tiers</u>	<u>Discount from List inclusive of IFF</u>
Avenir, Series 9000	\$327 - \$327,869	\$100 - \$100,000	69.27%
Context, Internode, and Technology Wall	\$327,870 - \$1,454,546 \$1,454,547 - \$1,960,784	\$100,001 - \$400,000 \$400,001 - \$500,000	72.29% 74.31%
Answer, Universal Bins and Shelves, Universal Pedestals, And Universal Worksurfaces	\$332 - \$331,345 \$331,346 - \$1,379,310 \$1,379,311 - \$1,851,852	\$100 - \$100,000 \$100,001 - \$400,000 \$400,001 - \$500,000	69.59% 70.78% 72.80%
Montage	\$316 - \$316,456 \$316,457 - \$775,424 \$775,425 - \$1,818,181	\$100 - \$100,000 \$100,001 - \$228,750 \$228,751 - \$500,000	68.16% 70.28% 72.29%
Kick	\$325 - \$324,675	\$100 - \$100,000	68.97%

	\$324,676 - \$1,337,793	\$100,001 - \$400,000	69.88%
	\$1,337,794 - \$1,818,181	\$400,001 - \$500,000	72.29%
Turnstone Storage (including Turnstone Peds), and Towers Too	\$263 - \$263,157	\$100 - \$100,000	61.72%
Post and Beam	\$285 - \$285,715	\$100 - \$100,000	64.74%
Details – T2 Light	\$232 - \$50,000	\$100 - \$21,500	56.68%
<u>Product Lines</u>	<u>List Tiers</u>	<u>Net Tiers</u>	<u>Discount from List Inclusive of IFF</u>
Relevant Wood Casegoods: Shells, Worksurface, Borders, Wiring, and Cabling	\$257 - \$769,230	\$100 - \$300,000	60.71%
Metro Detour and Metro MO	\$222 - \$666,666	\$100 - \$300,000	54.66%
Turnstone Payback: Desks and Credenzas; Smoke	\$256 - \$256,410	\$100 - \$100,000	60.71%
Vecta Computer Tables: Runner TR and Electrical Accessories	\$222 - \$1,111,111	\$100 - \$500,000	54.66%
Details (including height adjustables, excluding Series 7)	\$232 - \$50,000	\$100 - \$21,500	56.68%
Details Series 7	\$304 - \$50,000	\$100 - \$20,000	59.70%
Ellipse	\$322 - \$322,580	\$100 - \$100,000	68.77%
	\$322,581 - \$1,333,333	\$100,001 - \$400,000	69.78%
	\$1,333,334 - \$1,818,181	\$400,001 - \$500,000	72.29%
Universal Storage, 200 Firstfile, 800/900 Lateral and Vertical Files, 1700 Vertical, 900 Overfiles, 40 Universal Laterals, Bookcases, Combination Cabinets, Laterals, Storage Cabinets, Towers, Wardrobe Cabinets, and Workstation Verticals	\$314 - \$776,730	\$100 - \$247,000	67.96%
	\$776,731 - \$1,500,000	\$247,001 - \$450,000	69.78%
	\$1,500,001 - \$1,818,181	\$450,001 - \$500,000	72.29%
Metro MO Storage Products	\$222 - \$666,666	\$100 - \$300,000	54.66%
Turnstone Payback: Freestanding Storage	\$256 - \$256,410	\$100 - \$100,000	60.71%

Relevant Wood Casegoods: Hatchbacks and Media Carts, Storage Products	\$257 - \$769,230	\$100 - \$300,000	60.71%
Norfolk, Arbor, and Walden	\$263 - \$789,473	\$100 - \$300,000	61.72%

<u>Product Lines</u>	<u>List Tiers</u>	<u>Net Tiers</u>	<u>Discount from List Inclusive of IFF</u>
Brayton Tables: Avon, Booth, Donovan, Ginger, Rocco, Swathmore, Wellever, and Sidewalk	\$222 - \$666,666	\$100 - \$300,000	54.66%
Metro Template	\$222 - \$666,666	\$100 - \$300,000	54.66%
Vecta Grip Tables	\$222 - \$666,666	\$100 - \$300,000	54.66%
Metro Teamwork Tables	\$222 - \$666,666	\$100 - \$300,000	54.66%
Turnstone Payback: Tables	\$256 - \$256,410	\$100 - \$100,000	60.71%
Convene	\$270 - \$270,270	\$100 - \$100,000	62.72%
Relevant Wood Casegoods: Table Products	\$256 - \$769,230	\$100 - \$300,000	60.71%
8500 Series Tables	\$327 - \$327,868	\$100 - \$100,000	69.27%
Brayton Tables: Malibu, Progeny, Sieste, Sine, and St. Claire Calm Tables: Square, Oval, and Stilleteo	\$222 - \$666,666	\$100 - \$300,000	54.66%
Vecta Tables: Reunion, Rizzi Arc and Runner Tables, Ballet, Derby, Disc, E-Table 2, 540 Series, Ginko Biloba, Frontier Privacy Screen, Train Table, Au Lait Tables, and Werndl Flip Top Tables	\$222 - \$666,666	\$100 - \$300,000	54.66%
Brayton Lounge Seating: Herren, Rocco, Swathmore, Swathmore Grande, Malibu Recliner, Astor, Palermo, Club Grande,	\$222 - \$444,444	\$100 - \$200,000	54.66%

Rave Recliner, Rave Large, Sieste Lounge Highback, Sieste Lounge Chair, Sieste Sleepers, Sieste Recliners, and Ripple

<u>Product Lines</u>	<u>List Tiers</u>	<u>Net Tiers</u>	<u>Discount from List Inclusive of IFF</u>
Metro: Archipeligo Seating	\$222 - \$444,444	\$100 - \$200,000	54.66%
Brayton Seating: Torus Seating Rave Seating: Small and Medium Rave Open Arm: Small and Medium Sieste Tandem and Sieste Tables	\$222 - \$444,444	\$100 - \$200,000	54.66%
Steel Seating: 421, 433,453, 457, 458, 461, 463, 470, 472, 473, 474, and 475 Steel Seating: 470, 472, 473, and 475 Stacking Chairs Only	\$333 - \$666,666	\$100 - \$200,000	69.78%
Leap	\$256 - \$512,820	\$100 - \$200,000	60.71%
Think Seating	\$247 - \$493,828	\$100 - \$200,000	59.20%
Cachet	\$247 - \$493,828	\$100 - \$200,000	59.20%
Wood Seating: Alcove, England, Gentry, Masque, Theorum, and Topaz	\$253 - \$506,329	\$100 - \$200,000	60.20%
Turnstone Seating: Springboard	\$256 - \$512,820	\$100 - \$200,000	60.71%
Jersey Seating	\$277 - \$555,555	\$100 - \$200,000	63.73%
Brayton Seating: BCN Seating, LaCosta, Sport, Couture, L'Attitude, Maestro, Technique, Barrymore, and Berwick Enea: Barstools, Barstools Armless Metro Rover Seating Vecta Seating: Bira, 4 O'Clock, Indy, Kart, Kelly, 61 Series, and	\$222 - \$444,444	\$100 - \$200,000	54.66%

Kart Stackers

Brayton Seating: Enea Stacker with Arms and Enea Stacker Armless	\$222 - \$444,444	\$100 - \$200,000	54.66%
Migrations Seating, Tables, and Ottomans	\$222 - \$444,444	\$100 - \$200,000	54.66%

Reconfiguration and Relocation Services: Reconfiguration and relocation services will be negotiated on a project-by-project basis by the ordering activity.

Design/Layout Services: \$55.00 per hour on orders up to the maximum order (MO). All orders above the MO will be determined on a project-by-project basis. This price per hour with the IFF is \$55.41.

FOB Terms: FOB Destination in accordance with FAR 52.247-34

Prompt Payment Terms: Net 30

Delivery Time: 90 days ARO

Expedited Delivery Time: 15 days ARO on items as indicated in contained in letter dated January 17, 2007, reference Steelcase Quick Ship Program offer

Minimum Order: \$100

Maximum Orders:

- \$500 (SIN 711-95)
- \$20,000 (SIN 711-2)
- \$21,500 (SIN's 711-1 and 711-2)
- \$100,000 (SIN's 711-1, 711-2, 711-3 and 711-11)
- \$200,000 (SIN's 711-16, 711-17, 711-18, 711-19 and 711-99)
- \$300,000 (SIN's 711-2, 711-3, 711-8, 711-9, 711-10, and 711-11)
- \$500,000 (SIN's 711-1, 711-2, 711-3, 711-93, 711-94, and 711-96)

Warranty: Steelcase Inc.'s commercial warranties have been made a part of the contract for the products awarded, which includes contractor paying freight for items found defective under warranty.

Cancellation Policy: Prior to production, no cancellation charge will apply. After production, only actual cost incurred that contractor can demonstrate if items are not sold within a reasonable length of time (30 days). These terms also includes the following products:

Steelcase Metal and Wood Products:

- 14 or more calendar days prior to Monday of the ship week (not including holidays) = no charge assessed
- 0-13 calendar days prior to ship week = no manufacturing changes or cancellations allowed.

Brayton, Vecta, Metro, and Details Products:

- 28 or more calendar days prior to Monday of the ship week (not including holidays) = no charge assessed.
- 14 – 27 calendar days prior to ship week = 40% of actual cost incurred
- 0 – 13 days prior to ship week = no manufacturing changes allowed.

Return Policy/Restocking Charge: Returns for other than contractor errors or warranty reason will result in restocking charges. The restocking charge will not exceed 25% of the net cost for items returned for other than contractor errors and warranty reasons. Agencies must notify contractor for authorization prior to returning items.

Export Packaging Charge/Palletization: Export packaging and palletization are available at charge upon request.

Leasing (SIN 711-96): Two (2) types of Lease rate options:

- Lease with Option to Purchase (LWOP)
- Lease to Own (LTOP)

A minimum of \$75,000 applies on any lease order. The pricing is as follows:

Lease Type	Term	Rate Factor	A.P.R.	Residual Value	Prepayment Premium
GSA LWOP	12 mos.	0.07813	14.12%	15%	10%
GSA LWOP	24 mos.	0.04136	11.71%	15%	10%
GSA LWOP	36 mos.	0.02944	11.45%	15%	10%
GSA LWOP	60 mos.	0.02001	10.59%	12%	10%

Lease Type	Term	Rate Factor	A.P.R.	Residual Value	Prepayment Premium
GSA LTOP	12 mos.	0.09099	16.55%	0%	10%
GSA LTOP	24 mos.	0.04754	13.00%	0%	10%
GSA LTOP	36 mos.	0.03340	12.40%	0%	10%
GSA LTOP	60 mos.	0.02181	11.14%	0%	10%

If you have any questions concerning this document, please contact me (585) 238-2875 or fmorales@fm-resources.com.

Sincerely,



Fabricio Morales
President
FM Office Express, Inc.
d.b.a. FM Resources
d.b.a. Merkel Donohue