

**SECOND AMENDMENT TO BOOKSTORE OPERATING AGREEMENT REFERENCE #12136
BETWEEN DALLAS COUNTY COMMUNITY COLLEGE DISTRICT
AND FOLLETT HIGHER EDUCATION GROUP, INC.**

This First Amendment to the Bookstore Operating Agreement is effective on April 15, 2018 and is entered into between Dallas County Community College District ("District") and Follett Higher Education Group, Inc. ("Follett").

RECITALS

WHEREAS, District and Follett are parties to a certain Bookstore Operating Agreement Reference # 12136 effective March 1, 2015 ("Agreement"), and the parties now desire to amend the Agreement in certain respects as more specifically set forth herein; and

WHEREAS, Follett offers a service providing web-based fulfillment of manufactured products bearing customer specified indicia;

WHEREAS, District desires, and Follett agrees, to offer certain products for purchase and use by District, District's employees and the general public, and to offer those products for sale through a web-based ordering system; operated by a Follett Corporation wholly owned subsidiary, Advanced Graphic Products, dba "Advanced Online" ("Advanced") and linked from District websites. Design of individual college ordering websites, marketing and promotional material by mutual agreement.

NOW THEREFORE, the District and Follett agree to amend the Agreement by adding the following new terms:

1. Licensing

- 1.1 Advanced has or will enter into a license agreement (the "License Agreement") with the currently appointed license provider of District; (b) during the term of this Agreement, Advanced will maintain its status as a properly appointed licensee of District; and (c) during the term of this Agreement, Advanced will comply with the requirements of the License Agreement. If District is self-licensed, Advanced will comply with all requirements of District and receive approval of all graphics and logos through District.
- 1.2 Licensing Fees shall be calculated and paid for all sales of licensed merchandise with the exception of Exempt merchandise sales to the District for Athletic Staff or District Staff purchases on behalf of the District.
- 1.3 Employees purchasing licensed merchandise with personal funds will be considered non-exempt for licensed merchandise. License fees will be calculated on retail pricing for employees purchasing at corporate pricing for personal purchases.
- 1.4 District agrees that if merchandise will be purchased from Advanced for resale, District or individual College Athletic Department will notify Advanced to set up an ordering group

that calculates licensing since the merchandise is being resold by the District. Without this notification, Advanced will not be liable for licensing on behalf of the District.

1.5 District and Athletic Departments agree that direct orders purchased through Athletic Staff portals at corporate pricing is being done for the benefit of the District and requires no licensing fees. If Athletics Staff is used for personal orders, a separate licensed portal will need to be set up at the request of the District.

1.6 License Fees (as defined below) on products sold by Advanced bearing District Indicia will be paid to the District appointed licensing company within fifteen (15) days following the end of the month that License Fees are earned. License Fees for each product sold shall be paid at the established percentage for District of the wholesale price at which a product is sold. Wholesale pricing is defined as 50% of the retail pricing. With respect to online sales, License Fees shall be deemed earned by District as of the transaction billing date. License Fees will not be paid for products sold directly to District.

2. Term; Products and Marketing

2.1 This Agreement shall commence as of the Effective Date and shall remain in effect until the end of the Bookstore Operating Agreement Reference #12136. Both parties may terminate the services described herein before the end of the Agreement by mutual agreement with no penalties or fees.

2.2 Advanced will provide effective email campaign, promotions and other marketing related items to enhance overall retail sales.

2.3 A web link from District Athletic web sites named "Store" will be linked to the new Advanced provided online store. A designated ad space at the top half of the District Athletic web sites will be allocated for permanent online store advertising and an additional ad space will be allocated for promotional ads for discounted, free or special product promotions.

2.4 Promotional emails for free, discounted or special product promotions will be sent from the District Athletic web site databases every 2-4 weeks by Advanced, the District Athletic web site provider or the District Athletic Departments.

2.5 Advanced will provide a website application to allow Athletic Department staff members or other designated District staff to purchase products from the District's product line at discounts of approximately 25% to 50% off retail pricing utilizing Advanced Online's corporate pricing model.

3. Royalties (Commissions)

3.1 Royalties (as defined below) on products sold by Advanced bearing District Indicia will be paid to District within fifteen (15) days following the end of the month that Royalties are earned. Royalties for each product sold shall be paid at 12% of the retail price at which a product is sold. With respect to online sales, royalties shall be deemed earned by District as of the transaction billing date. Retail sales are defined as price at which product is sold online excluding freight and sales tax.


3.2 Royalties are paid only on retail sales to fans, alumni, donors and the public. Any sales to District staff are exempt from commissions.

Except as specifically amended hereby, the Amendment shall continue in full force and effect in all respects.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of April 15, 2018.

**FOLLETT HIGHER EDUCATION
GROUP**

**DALLAS COUNTY COMMUNITY
COLLEGE DISTRICT**

By: 
Name: Clay Wahl

By: 
Name: Maria Garza

Title: President

Title: Senior Director of Purchasing Services

Date: May 7, 2018

Date: April 17, 2018