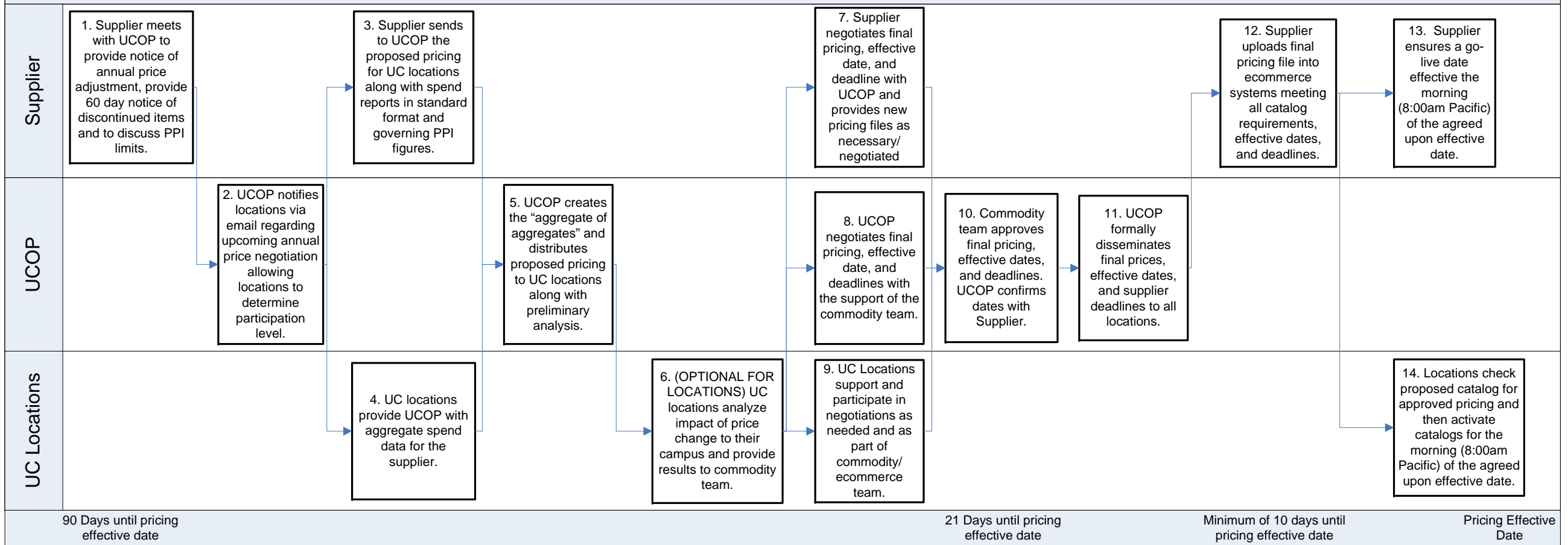


Price Negotiation and Annual Catalog Load (Adds, Deletes, Price Increases, Price Decreases)

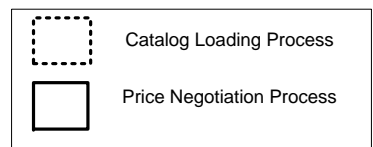
May 21, 2009



PROCESS PREREQUISITES

This process cannot successfully begin until the following minimum requirements have been met:

- UC locations and the supplier have agreed upon a price change schedule and catalog loading schedule (e.g. Annual price updates and quarterly catalog adds/deletes).
- Suppliers have access to UC Location e-catalog formats and are able to supply catalogs in the correct formats (i.e. SciQuest, Perfect Commerce, Bruin Buy, etc).
- Suppliers have been provided UC's standard spend report format and pricing update format and are able to provide data in both formats.
- At least 80% of identified supplier spend is able to be identified in location "aggregate" report. (Aggregate is the items purchased in the quantities purchased.)



KEY POINTS ABOUT THE PROCESS

- There is no pre-established time frame for this process. UC will make all possible efforts to expedite the process, however UC is dependent upon the supplier to advance the process.
- The above diagram outlines two processes which have been combined for ease of understanding. These processes are separated by step 11.
- The timeframe of these two processes is entirely dependent upon:
 - The quality of information submitted to UC by the supplier.
 - The adherence to contracted price increases by the supplier.
 - The adherence to the process by UCOP and UC location representatives
 - The adherence to the process and the established deadlines by the Supplier.
- Failure of a supplier to meet an established deadline (i.e. a catalog load date) will result in a delayed go-live system wide.