



## **NATIONAL PROGRAM GUIDELINES VGM CLUB MEMBERS**

### **Product Quality Guarantee**

AlSCO, Inc. guarantees that the linen delivered to your location will meet or exceed the quality standards set by VGM Club. If the quality of the linen does not meet your expectation, AlSCO will replace the linen or issue a credit equal to the amount charged for the defective product. We will make every effort to replace the linen prior to the time it is needed or offer an acceptable alternative prior to issuing credit.

### **Pricing Terms**

1. Prices may be increased annually by the current CPI up to a maximum of 3%.
2. AlSCO will notify VGM Club of any price increase in advance.

### **Payment Terms**

1. Payments are due by the 15<sup>th</sup> day of the month following the month the delivery was made.
2. A Finance Charge of 1.5% per month or 18% per year will be imposed on all outstanding credit account balances 30 days or more past due until paid in full.
3. Balances not paid within 60 days of the due date may result in credit privileges being revoked and deliveries on a C.O.D. basis.

### **Linen Inventory Maintenance**

1. AlSCO will automatically replace and bill for the following items:
  - a. 4% of the Napkins on Inventory Maintenance
  - b. 4% of the Bar Towels on Inventory Maintenance
  - c. 2% of the Aprons on Inventory Maintenance
2. All other items are billed for loss and abuse after a joint inventory to verify counts.
3. A critical element in controlling loss charges and inventory expenses is for VGM Club Members to request periodic inventories of linen and uniform items. These inventories should be conducted jointly with an AlSCO representative and a copy of the inventory control sheet will be left at the location.

### **Service or Environmental Charge**

There are no Service or Environment Charges on this agreement.

## Inventory Usage

1. VGM Club Members will only keep sufficient inventory on premise to meet their needs. You need to use at least 35% of the linen inventory each week or an inventory minimum usage charge will be added.

### A. Example 1:

Bar Towel Total Inventory	200 = 100%
Weekly Usage	80 = 40%
Towels You Need to Use to Avoid Minimum	70 = 35%
Usage Above Inventory Minimum	100 = 5%
Inventory Minimum Charged	0 Towels & 0%

### B. Example 2:

Bar Towel Total Inventory	200 = 100%
Weekly Usage	60 = 30%
Towels You Need to Use to Avoid Minimum	70 = 35%
Usage below Inventory Minimum	10 = 5%
Inventory Minimum Charged	10 Towels or 5%

2. Garments will be flat rated by the number of changes per week or an inventory minimum usage of 50%.
3. Mats, mops and dust control items will be flat rated on each invoice or an inventory minimum usage of 50%.

## Catering Linen

1. Catering Linens have no inventory minimum but are billed on the total order delivered.
2. The Linen Inventory Maintenance fee for napkins and bar towels will be added to catering orders.
3. AlSCO plants that service VGM Club Members will provide a color chart of napkins available to your location. AlSCO promises availability of these colors under the following conditions.
  - A. The order must be faxed or phoned in at least three working days before delivery.
  - B. The order must be for standard linen colors. Specialty items are excluded.
  - C. Seasonal orders for red and green at Christmas are excluded. AlSCO will make every effort to fill these orders but they are on a first come, first serve basis.
4. Catering linens will be returned within seven days of delivery to AlSCO. Linens kept beyond the seven-day period will be charged an additional week's rental for the linens still at the VGM Club location. An additional week's rental will be charged for each seven-day period the linen is not returned.



## **Delivery Requirements**

1. AlSCO must be the exclusive provider of linens, garments and dust control items at any one location. In other words, AlSCO will not split an account with any other vendor due to the high amounts of loss that occur because our products inadvertently get mixed with the other supplier's and then are never recovered.
2. AlSCO Route Sales Representatives will issue credit for any shortages at the time of the delivery.
3. Each delivery must be at least \$25.00. Otherwise, a Minimum Delivery Fee of \$25.00 will be charged.
4. Delivery days will be established when a VGM Club Member first signs up for AlSCO services. In the event that a VGM Member requires a special non-scheduled delivery, an additional fee will be added to the rental cost. The fee will be \$25.00 for a delivery that falls on a weekday and \$35.00 if it falls on weekends. This fee will not be applied on orders that are delivered late or on a delivery day at no fault of the VGM Member.

## **Scope of Service**

This agreement covers all the uniform and linen rental items used by the VGM Club Member. This includes maintenance and grounds crew uniforms, shop towels, floor mats and other items currently under a rental program at the covered locations.

## **Current Agreements**

Locations under a current service agreement with a provider for any of the items on the AlSCO price schedule should contact their current provider and request a copy of their current service agreement. Please forward a copy to Scott McMillin at AlSCO, **175 South West Temple, Suite 510, Salt Lake City, Utah, 84101**. Also give written notice to the current provider of your intention to terminate the agreement at the end of the contract term.

## **Area of Coverage**

All VGM Club Members located within the AlSCO U. S. Service Area Map are covered by the national agreement for VGM Club. The serviced States include: Alabama, Arizona, Arkansas, California, Colorado, D.C., Florida, Georgia, Idaho, Illinois, Indiana, Kentucky, Louisiana, Missouri, Montana, Nebraska, Nevada, New Mexico, Northern New York, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Northern Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming.

## **Customer Hotline**

If you experience a problem with your linen service please contact your AlSCO Service Center as listed below. In the event that the local location is unable to resolve your issue please call our AlSCO Corporate office. 1-800-408-0208 and ask for Mateo Matheson or Ryan Mathews.

