12. Services Expected:

Barnes & Noble shall operate the Bookstore as an independent contractor and with its own credit and
preferred vendors, with the facility and equipment agreed upon. Services of the Bookstore shall
include the following:

a) The Bookstore shall be University of Kentucky's exclusive buyer and seller of all required,
recommended or suggested course materials and supplies, including books, course packs,
computer software, textbook rentals, and materials published or distributed electronically and/or
through learning management systems, or sold over the Internet. Barnes & Noble will provide
exclusive on-line services through our web site and have first right of refusal to fulfill any
distance learning material needs during the term of this Agreement.

b) The Bookstore shall be designated the exclusive agent to accept all campus debit card and
financial aid transactions for Bookstore merchandise typically sold in college bookstores. Payment
by University of Kentucky departments will be made by the University procurement
card.

c) The Bookstore shall also be University of Kentucky's exclusive "on-campus" and Internet seller
of other items typically sold in college bookstores, such as books in addition to those described in
(a) above, educational supplies, notebooks, stationery, desk and room accessories, gift items,
class and alumni rings and jewelry, and clothing, including any and all such items bearing a
University of Kentucky emblem, logo, insignia or other identifying mark. University
departments and affiliates, including but not limited Athletics, Alumni Affairs, College of
Agriculture, College of Communications, UK Human Development Institute, and UK HealthCare
have pre-existing agreements for the sale of merchandise and apparel. From time to time these
pre-existing agreements make be up for renewal or other University departments may wish to
entire into new agreements. In those cases, the University shall offer to Barnes & Noble a first
opportunity to offer like services, however, the University is not obligated to enter into an
agreement with Barnes & Noble. Additionally, the University currently has contracts with third
parties, including the University's manage print services contractor, to produce custom-made T-
shirts and apparel for sale to students, faculty, staff, and University organizations.

d) Excluding the exceptions identified in Section 12 (c), University of Kentucky shall not contract
with any third party to provide any services of the type outlined in this Agreement whether on or
off campus, through e-commerce sites, hyperlinks to alternate sources, or otherwise endorsed or
supported by University of Kentucky.

c) Excluding the exceptions identified in Section 12 (c), Barnes & Noble will have first right of
refusal for other retailers that would directly compete with Barnes & Noble’s academic retailing
program.

d) The Bookstore shall be the exclusive agent for the rental and/or sale of graduation caps and
gowns and commencement invitations.

e) The Bookstore shall also have a non-exclusive right to sell convenience store items such as food,
health and beauty items, and other sundries.

f) Barnes & Noble will provide exclusive custom publishing services for University of Kentucky.
Such services will include the development of course packs for faculty members, securing the
appropriate copyright clearances, printing and binding of course packs and distribution and sale
of the course packs in the Bookstore. Complimentary desk copies of course packs will be
provided to faculty members.

i) Barnes & Noble shall provide special book order services for students, faculty, and staff and
make every effort to obtain the earliest possible delivery of such books.

j) Barnes & Noble shall provide charge sales for supplies for University of Kentucky departments
and offices. Payment by University of Kentucky departments will be made by the University
procurement card.

k) Barnes & Noble will allow full-time faculty and staff of University of Kentucky a 10% discount
on all merchandise available at the Bookstore except adopted textbooks, special orders, sale
books, class and alumni rings, computer software, periodicals, discounted merchandise, computer
hardware, stamps, health and beauty aids, food snacks, and beverages.

l) Barnes & Noble will offer a 20% discount on all authorized departmental purchases except
adopted textbooks, special orders, sale books, class and alumni rings, computer software,
periodicals, discounted merchandise, computer hardware, stamps, health and beauty aids, food
snacks, and beverages.

m) University of Kentucky shall not accept advertising, permit tabling or other promotional activities
by any seller of college textbooks and/or course supplies other than the Bookstore at any event
sponsored by University of Kentucky or located on the University of Kentucky campus.

n) Barnes & Noble will act as the University of Kentucky’s partner in new student orientation,
alumni and faculty outreach through the Igniting the New Student Connection and Igniting the
Faculty Connection programs. To facilitate these programs the University of Kentucky will
provide Barnes & Noble with all enrolled student and faculty email lists on an annual basis.

o) The University of Kentucky agrees to twice a year providing to Barnes & noble College
Bookstores the current email of all undergraduate as well as graduate students so that Barnes &
Noble can inform them of all the services it can provide.

p) The University will work with Barnes & Noble on establishing a business relationship with the
UK Alumni Association at The University of Kentucky.