

April 2, 2018

**CSWI Industrial Products
Division Companies
Request for Proposal**

**Enterprise Resource Planning (ERP)
Software and
Implementation Services**

REQUEST FOR PROPOSAL

Notice is hereby given that proposals will be received by CSWI Industrial Products Division for:

Enterprise Resource Planning (ERP) Software and Implementation Services

File via e-mail to RFP@rectorseal.com. Proposals received later than **5:00 p.m. April 20, 2017 will not** be considered.

A copy of this Request for Proposal (RFP) may be obtained from RectorSeal's web site at <http://www.rectorseal.com/ERPRFP>.

CSWI Industrial Products Division reserves the right to reject any and all proposals, and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the CSWI Industrial Products Division to pay any costs incurred by respondents in the preparation and submission of a proposal, including but not limited to a respondent doing an onsite scripted product demonstration. Furthermore, the RFP does not obligate the CSWI Industrial Products Division to accept or contract for any expressed or implied services.

A vendor response that indicates that any of the requested information in this RFP will only be provided if and when the supplier is selected as the apparently successful supplier is not acceptable, and, at CSWI Industrial Products Division's sole discretion, may disqualify the proposal from consideration.

CSWI Industrial Products Division assures that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity.

In addition to nondiscrimination compliance requirements, the Supplier(s) ultimately awarded a contract shall comply with federal, state and local laws, statutes and ordinances relative to the execution of the work.

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1. RFP PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit proposals from software Vendors, systems integrators, implementation partners and/or Value Added Resellers (VARs) who can demonstrate that they possess the organizational, functional and technical capabilities to provide an Enterprise Resource Planning (ERP) solution that meets CSWI Industrial Products Division needs. The modules included are Financials, CRM, MRP, Job Cost and Order Management. CSWI Industrial Products Division's fiscal year is from April 1 to March 30. The company's preference is to select and begin implementation of a replacement ERP solution in the third quarter of 2018.

2. INTRODUCTION

CSWI Industrial Products Division companies are located across North America and Australia. The companies manufacture specialty sealants, corrosion resistant aluminum railing systems, pre-engineered and custom architectural building components, proprietary fire-rated and smoke-rated opening protective systems servicing the plumbing, industrial, HVAC-Refrigeration, construction, electrical, hardware, educational and government marketplaces. Its portfolio of products and company profiles can be found at www.rectorseal.com, www.balcousa.com, www.greco railings.com, www.smokeguard.com.

3. BACKGROUND

The CSWI Industrial Products Division companies currently use the following Enterprise Resource Planning systems: Infor XA, Infor Visual Manufacturing, Foundations, Sage 300 and Microsoft Great Plains. The project is to identify an ERP system meeting the business requirements that can be used amongst the CSWI Industrial Products Division Companies. Furthermore, the ERP system needs to be able to handle both manufacturing and project based methodologies. Services should be provided by experienced ERP experts who have successfully implemented the proposed solution at comparable companies with similar requirements for the modules in scope, Financials, SCM, CRM, MRP, Job Cost, Customer Order Management and Electronic Commerce.

4. OBJECTIVES

The CSWI Industrial Products Division is seeking an integrated packaged solution that will meet its core requirements with minimal modifications and/or customizations. The CSWI expects the vendor to perform the related professional services (e.g. best practices guidance, training, project management, implementation, integration and report development in a timely and professional manner. Services should be provided by experienced ERP experts who have successfully implemented the proposed solution at comparable manufacturing facilities with similar requirements for the modules in scope.

The ideal Vendor shall have experience in successfully implementing the proposed solutions at manufacturing facilities of similar size and/or larger facilities. The successful Vendor shall be

responsible for the final approved design, installation, implementation and commissioning of the ERP system, including development of user acceptance testing, system integration and connectivity to existing resources.

5. SCOPE OF WORK

The CSWI Industrial Products Division is seeking an integrated solution that will meet its core requirements with minimal modifications and/or customizations. The goal is to optimize system utilization for all users, improve response times, reduce errors, reduce manual efforts, improve analytical capabilities and improve customer service. The CSWI Industrial Products Division intends to minimize its total cost of ownership without any degradation in performance and level of service and to implement a system which can remain on the upgrade path with minimal cost and business impact. The modules being considered in this evaluation that are required include the following:

- a) Financials
- b) Order Management
- c) Projects
- d) Supply Chain
- e) Asset Management
- f) Customer Relationship Management
- g) Manufacturing Resource Planning
- h) Business Intelligence

Overall the ERP system must provide the following:

- Compatibility with CSWI Industrial Products Division strategic objectives.
- A complete commercial off the shelf solution that has been successfully implemented in the last 18 months for companies in the industry sector, of comparable size and that follows best practices offered by the software.
- Alignment with the functional requirements as defined in this RFP.
- A solution that requires no or little modification to base code, but is configurable to meet the needs of the CSWI Industrial Products Division now and into the future.
- An intuitive interface and an easy learning curve to facilitate rapid adoption
- A system that is stable, secure and accessible and supports business processes, service delivery and transparency.
- Vendor must have an ongoing and sustainable product and corporate strategy to avoid obsolescence.
- Comprehensive library of standard reports and tools for end user ad hoc reporting and queries.
- Foster collaboration and process efficiencies between departments.
- Easy integration with other systems.

6. CURENT ENVIRONMENTS

The CSWI Industrial Products Division companies standard network operating system is Windows Server 2008/2012. The standard desktop / laptop operating system is Windows 10, business productivity software is Microsoft Office 2016, E-Mail system is Microsoft Exchange. Microsoft SharePoint is used for data collaboration. The data backbone is 100/1000 switches.

The CSWI industrial Products Division currently uses 4 different ERP platforms. These are Infor XA, Infor Visual Manufacturing, Microsoft GP, Foundations, and Sage 300. The count of ERP users is 169 located over North America and Australia. See table below for license breakdown.

| Business | License Count |
|------------|---------------|
| RectorSeal | 116 |
| Balco | 29 |
| SmokeGuard | 19 |
| Greco | 5 |

The following systems are also used in the CSWI Industrial Products Division Companies:

- BlackLine – Financial Reporting
- OneStream – Financial Consolidation
- Paycom – Human Capital Management

* ERP system proposed will need to interface to the systems listed above

* Proposal is for an ERP license count of 200

7. OFFICIAL CONTACT AND PROPOSAL SUBMISSION ADDRESS

Upon release of this RFP, all Vendor communications concerning the RFP should be directed to the CSWI Industrial Products Division RFP lead listed below. Unauthorized contact regarding this RFP with any other CSWI employees may result in disqualification. Any oral communications will be considered unofficial and non-binding. Suppliers should rely only on written statements issued by the RFP lead. The CSWI Industrial Products Division RFP lead for this project is:

| | |
|----------|--------------------------------------------------------------------------------|
| Name: | Jorge Trebino |
| Address: | Rectorseal 2601 Spenwick Dr. Houston, TX 77055 |
| Phone: | 713-929-4360 |
| E-Mail: | Jorge.trebino@rectorseal.com |

8. BUSINESS REQUIREMENTS

| Requirements Table | | | Vendor Response | | | | | |
|-------------------------------------------|----------|----------|-----------------|-----|-----|-----|-----|----|
| Feature Requirement | Priority | Timeline | OOB | CUS | BOL | 3RD | FUT | NA |
| Enterprise | | | | | | | | |
| Analytics/Dashboards | | | | | | | | |
| AdHoc Reporting | | | | | | | | |
| Trend Reporting | | | | | | | | |
| KPI | | | | | | | | |
| Document Management | | | | | | | | |
| Workflow / Approvals | | | | | | | | |
| Multiple Currency Support | | | | | | | | |
| Multiple Languages Support | | | | | | | | |
| Remote Access | | | | | | | | |
| Accounting and Financials | | | | | | | | |
| Payroll integration | | | | | | | | |
| Accounts Receivable | | | | | | | | |
| Accounts Payable | | | | | | | | |
| Invoices | | | | | | | | |
| Deposits | | | | | | | | |
| Budgeting | | | | | | | | |
| Bank Reconciliation | | | | | | | | |
| ERP to Bank Interfaces and Reconciliation | | | | | | | | |
| Cash Flow Management | | | | | | | | |
| Automatic Cost Calculation | | | | | | | | |
| Cost Calculation Mode Selection | | | | | | | | |
| Cost Analysis | | | | | | | | |
| Advanced Allocations | | | | | | | | |
| Budgeting | | | | | | | | |
| Expense Management | | | | | | | | |

| Vendor Response Key | |
|---------------------|-----------------------------------------------------------------------|
| Key | Meaning |
| OOB | ERP requirement out-of-the-box |
| CUS | ERP requirement is available through customization |
| BOL | ERP requirement is available through a bolt-on at additional cost |
| 3RD | ERP requirement will be available integration with 3rd-party software |
| FUT | ERP requirement is unavailable In the near future (Timeframe) |
| NA | ERP Requirement is unavailable |

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|--------------------------------------------------|--|--|--|--|--|--|--|--|--|
| General Ledger | | | | | | | | | |
| Invoicing/Billing - Schedule of Values | | | | | | | | | |
| Labor Material Overhead | | | | | | | | | |
| EFT Processing | | | | | | | | | |
| Financial Reporting | | | | | | | | | |
| Regulatory Compliance Support | | | | | | | | | |
| FS Metrics DSO DPO WC Inventory Turns | | | | | | | | | |
| Forecasting / Job Revenue Spread | | | | | | | | | |
| WIP Analytics | | | | | | | | | |
| Automatic Cost Calculation & Reporting | | | | | | | | | |
| Cost Analysis | | | | | | | | | |
| Indirect Cost Allocations | | | | | | | | | |
| ERP to Bank Interfaces and Reconciliation | | | | | | | | | |
| Actuals to Budget | | | | | | | | | |
| Fixed Asset Tracking | | | | | | | | | |
| International Sales Tax Calculation | | | | | | | | | |
| Sarbanes-Oxley Compliance | | | | | | | | | |
| FASB Accounting Standard 606 | | | | | | | | | |
| Burden Job Cost Allocation | | | | | | | | | |
| Human Capital Management | | | | | | | | | |
| Payroll/Paycom Integration | | | | | | | | | |
| FMP (mobile job costing time tracking) | | | | | | | | | |
| Union Payroll Processing / Reporting | | | | | | | | | |
| Time Card Management Temps | | | | | | | | | |
| Manufacturing/Operations and Distribution | | | | | | | | | |
| MRP | | | | | | | | | |
| Manufacturing Orders / Duplicate Orders | | | | | | | | | |
| Adjust Batch Size / Lab | | | | | | | | | |
| Capacity Requirements Planning | | | | | | | | | |
| Production Cost Analysis | | | | | | | | | |

| | | | | | | | | | |
|----------------------------------------------------------|--|--|--|--|--|--|--|--|--|
| Production Control | | | | | | | | | |
| Process Synchronization | | | | | | | | | |
| Product Data Management | | | | | | | | | |
| Engineering Change Management | | | | | | | | | |
| Dispatch Calendar | | | | | | | | | |
| Forecasting | | | | | | | | | |
| Job Costing | | | | | | | | | |
| Master Production Scheduling | | | | | | | | | |
| Quality Assurance Management | | | | | | | | | |
| Quality Monitoring | | | | | | | | | |
| Quality Analysis | | | | | | | | | |
| Bar code system | | | | | | | | | |
| Back Order Processing | | | | | | | | | |
| Integrate Shipping Vendors | | | | | | | | | |
| Vendors Routing Guide Needs to Work in EDI | | | | | | | | | |
| International Carriers | | | | | | | | | |
| Cycle count / Value class | | | | | | | | | |
| Hazardous Materials Processing | | | | | | | | | |
| Master Production Schedule Integration CS (Intellichief) | | | | | | | | | |
| Engineering Drawing Integration | | | | | | | | | |
| Link/upload product drawings to engineering masters | | | | | | | | | |
| Labor Hours Tracking | | | | | | | | | |
| Ability to upload documents to work orders | | | | | | | | | |
| Quality Assurance | | | | | | | | | |
| Quality Assurance Management | | | | | | | | | |
| Quality Monitoring | | | | | | | | | |
| Quality Analysis | | | | | | | | | |
| Resource Planning and Management | | | | | | | | | |
| Materials / Inventory Management | | | | | | | | | |
| MRO (Maintenance, Repair and Operating Supplies) | | | | | | | | | |

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|--------------------------------------------------|--|--|--|--|--|--|--|--|--|
| Availability of Materials | | | | | | | | | |
| Availability of Stock | | | | | | | | | |
| Picking | | | | | | | | | |
| Optimum Store Inventory Raw Materials | | | | | | | | | |
| RFID Integration | | | | | | | | | |
| Planning | | | | | | | | | |
| Sales Management | | | | | | | | | |
| Customer Credit Management | | | | | | | | | |
| Pricing | | | | | | | | | |
| Quotations | | | | | | | | | |
| Sales Order Processing | | | | | | | | | |
| Capable to Promise Inventory | | | | | | | | | |
| Bill of Materials | | | | | | | | | |
| BOM Reporting | | | | | | | | | |
| Credit Card Processing | | | | | | | | | |
| Online Transaction Reporting | | | | | | | | | |
| CRM | | | | | | | | | |
| Sales Order Management | | | | | | | | | |
| Sales Commissions Calculation | | | | | | | | | |
| Able to link/post documents to notes | | | | | | | | | |
| B2B Commerce | | | | | | | | | |
| B2C Commerce | | | | | | | | | |
| Supply Chain Management | | | | | | | | | |
| Requisition Integration | | | | | | | | | |
| Logistics Management | | | | | | | | | |
| Cost of Goods Sold | | | | | | | | | |
| Logistics Planning | | | | | | | | | |
| Procurement | | | | | | | | | |
| Sourcing | | | | | | | | | |
| Packaged Integration to Back Office Applications | | | | | | | | | |

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|------------------------------------------------------|--|--|--|--|--|--|--|--|--|
| Demand Planning | | | | | | | | | |
| Distribution Management | | | | | | | | | |
| Event Management | | | | | | | | | |
| Manufacturing Execution System | | | | | | | | | |
| Management of Resources | | | | | | | | | |
| Master Scheduling | | | | | | | | | |
| Dispatch of Orders | | | | | | | | | |
| Execution of Orders | | | | | | | | | |
| Collection of Production Data | | | | | | | | | |
| Delivery Scheduling | | | | | | | | | |
| Return Processing (RGA CS) | | | | | | | | | |
| Store and display inspection criteria when receiving | | | | | | | | | |
| Store inspection data/notes | | | | | | | | | |
| Lead times figured based on historical averages | | | | | | | | | |
| Adjust location of multiple parts/pieces at once | | | | | | | | | |
| Vendor Returns and Transfers | | | | | | | | | |
| Production Performance Analysis | | | | | | | | | |
| Customer Service Management | | | | | | | | | |
| Price approvals | | | | | | | | | |
| EDI | | | | | | | | | |
| International Orders Processing | | | | | | | | | |
| Back Order Processing and Tracking | | | | | | | | | |
| Automated DBAL | | | | | | | | | |
| Customer Account Management | | | | | | | | | |
| Customer Account Dashboard | | | | | | | | | |
| Bill of Lading without Finalizing Shipment | | | | | | | | | |
| Compliance Labels | | | | | | | | | |
| Drop Ship | | | | | | | | | |
| Automated Marketing | | | | | | | | | |
| Marketing Resource Management | | | | | | | | | |

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|----------------------------------------------------|--|--|--|--|--|--|--|--|--|
| Pricing and Tracking | | | | | | | | | |
| Cost Summaries | | | | | | | | | |
| Service Management | | | | | | | | | |
| Order Management | | | | | | | | | |
| Web Storefront Tool | | | | | | | | | |
| Email Tools | | | | | | | | | |
| Email Integration | | | | | | | | | |
| Case Management | | | | | | | | | |
| Customer Self Service | | | | | | | | | |
| Marketing Campaign | | | | | | | | | |
| Rental Management | | | | | | | | | |
| Sales Management | | | | | | | | | |
| Sales Order Release Processing | | | | | | | | | |
| Mobile Access | | | | | | | | | |
| Sales Force Automation | | | | | | | | | |
| Integration Capabilities | | | | | | | | | |
| Module Integration | | | | | | | | | |
| Hardware Integration project design and management | | | | | | | | | |
| Application, Software, Project Design Integration | | | | | | | | | |
| Integration with Handheld Mobile Devices | | | | | | | | | |
| Integration with portable scanners | | | | | | | | | |
| Integration with fax server | | | | | | | | | |
| Integration with barcode generator | | | | | | | | | |
| SharePoint Integration | | | | | | | | | |
| Email Integration | | | | | | | | | |
| Email Tools | | | | | | | | | |
| Integration with BlackLine | | | | | | | | | |
| Integration with OneStream | | | | | | | | | |
| Integration with Paycom | | | | | | | | | |
| Shop Floor Tablet Integration | | | | | | | | | |

9. EVALUATION PROCEDURES

The ERP Steering Committee will evaluate the submitted proposals. The initial Technical and Functional Evaluation will be based on written responses to this RFP.

It is important that the responses be clear, concise and complete so that the evaluators can adequately understand all aspects of the proposal. The CSWI Industrial Products Division is not interested in unnecessary sales verbiage.

The evaluators will consider the completeness of the proposal, how well the Vendor complied with the response requirements, responsiveness of Vendor to requests, the number and nature of exceptions (if any) the Vendor takes to the terms and conditions, the total cost of ownership and how well the Vendor's proposed solution meets the needs of the CSWI Industrial Products Division as described in the Vendor's response to each requirement and form.

As part of the evaluation, the CSWI Industrial Products Division reserves the right to request additional information, ask for a Web demo, conduct conference calls to review the response, or take any other action necessary to perform a thorough and objective evaluation of each Vendor's response. This evaluation includes, but is not limited to conducting customer reference checks, visiting Vendor headquarters and reviewing any other information about the Vendor and its solution (e.g. performance, viability, technology, mergers and acquisitions, organizational changes, litigation, industry analyses, etc.)

The evaluation process is intended to help the CSWI Industrial Products Division select the Vendor with the best combination of attributes, including but not limited to total cost of ownership, ease-of-use, performance, reliability, vision, flexibility, stability, sustainability, Vendor viability and Vendor capacity to successfully implement the selected applications.

The CSWI Industrial Products Division also reserves the right to require that a subset of finalist Vendors make a presentation and conduct a scripted product demonstration to its selection team at a location and time chosen by the CSWI Industrial Products Division.

10. TERMS AND CONDITIONS

RFP AMENDMENTS

The CSWI Industrial Products Division reserves the right to change the schedule or issue amendments to the RFP at any time. The CSWI Industrial Products Division also reserves the right to cancel or reissue the RFP.

PROPOSAL ACCEPTANCE

The CSWI Industrial Products Division reserves the right to accept the bid, bids or parts of a bid deemed most advantageous to the CSWI Industrial Products Division. If applicable, the CSWI Industrial Products Division reserves the right to request from the software Vendor a different implementation provider, systems integrator and/or Value Added Reseller than the one proposed,

or, at its sole discretion, select a different implementation provider, systems integrator and/or Value Added Reseller on its own.

RECORDINGS

The CSWI Industrial Products Division reserves the right to record and/or videotape all Webinars, Web demos, conference calls, demos or other communications relative to this RFP.

VENDOR'S COST TO DEVELOP PROPOSAL

Costs for developing proposals in response to the RFP are entirely the obligation of the Vendor and shall not be chargeable in any manner to the CSWI Industrial Products Division.

WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn at any time prior to the submission time specified in this RFP, provided notification is received in writing. Proposals cannot be changed or withdrawn after the time designated for receipt.

REJECTION OF PROPOSALS – WAIVER OF INFORMALITIES OR IRREGULARITIES

The CSWI Industrial Products Division reserves the right to reject any or all proposals, to waive any minor informalities or irregularities contained in any proposal, and to accept any proposal deemed to be in the best interest of the CSWI Industrial Products Division.

PROPOSAL VALIDITY PERIOD

Submission of the proposal will signify the Vendor's agreement that its proposal and the content thereof are valid for 90 days following the submission deadline and will become part of the contract that is negotiated between the CSWI Industrial Products Division and the successful Vendor.

CONTRACT AWARD AND EXECUTION

- The CSWI Industrial Products Division reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be initially submitted on the most favorable terms the Vendors can offer. It is understood that the proposal will become a part of the official file on this matter without obligation to the CSWI Industrial Products Division.

- The general conditions and specifications of the RFP and as proposed by the CSWI Industrial Products Division and the successful Vendor's response, as amended by agreements between the CSWI Industrial Products Division and the Vendor, will become part of the contract documents. Additionally, the CSWI Industrial Products Division will verify Vendor representations that appear in the proposal. Failure of the Vendor's products to meet the mandatory specifications may result in elimination of the Vendor from competition or in contract cancellation or termination.
- The Vendor selected as the apparently successful Vendor will be expected to enter into a contract with the CSWI Industrial Products Division.
- The Vendor agrees that this RFP, the Vendor's response to the RFP (proposal) and a mutually agreed upon Statement of Work will be included as part of the executed contract.
- If the selected Vendor fails to sign the contract within five (5) business days of delivery of the final contract, the CSWI Industrial Products Division may elect to cancel the award and award the contract to the next-highest-ranked Vendor.
- No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract or unless otherwise agreed to in writing by both parties.

OWNERSHIP OF DOCUMENTS

Any reports, studies, conclusions, and summaries prepared by the Proposer shall become the property of the CSWI Industrial Products Division.

CONFIDENTIALITY OF INFORMATION

All information and data furnished to the Proposer by the CSWI Industrial Products Division, and all other documents to which the Proposer's employees have access during the term of the contract, shall be treated as confidential to the CSWI Industrial Products Division. Any oral or written disclosure to unauthorized individuals is prohibited.