

## TERMS & CONDITIONS FOR MSC PRODUCT SUPPLIERS

- All purchase orders submitted to Supplier by MSC are subject to these Terms & Conditions. MSC may cancel any purchase order or any portion prior to shipment of products by Supplier.
- Prices for Supplier's products will include all freight, shipping, delivery and handling charges. Supplier's invoices will separately state all applicable taxes, duties or other governmental assessments. MSC will make payment within 60 calendar days after receipt of Supplier's invoice, unless otherwise agreed in writing.
- Except as otherwise agreed to in a signed writing, the parties agree that, (a) risk of loss remains with Supplier until the ordered products are received at the MSC location stated in the purchase order or MSC's customer's location (in the case of directly shipped products); (b) title passes to MSC when the ordered products are received at the MSC facility stated in the purchase order, except when the purchase order identifies MSC's customer's location (for directly shipped products), in which case title passes to the MSC customer upon customer's receipt; and (c) should terms not be stated in the purchase order, risk of loss and title remain with the Supplier until the product is received at the final destination.
- All products delivered by Supplier are subject to inspection and **acceptance/rejection** by MSC or MSC's customer (in the case of directly shipped products) within a reasonable time after receipt. If the products are defective or do not conform to the purchase order, in whole or in part, MSC or its customer may reject the products and, at MSC or its customer's option, either (i) require Supplier to replace the products at no additional cost or (ii) return the products to Supplier for full reimbursement of any amounts paid for the returned products, plus transportation charges.
- MSC may **return** any purchased product as long as the product is in resalable condition, and MSC will receive a credit from Supplier at the previously invoiced or paid price. MSC will prepay shipping for all returns.
- In addition to Supplier's standard warranties, Supplier **warrants** that all products furnished will be merchantable, free from latent and patent defects and in full conformity with any descriptions, specifications or samples furnished by Supplier. Supplier further warrants that neither the products themselves nor any accompanying product information will infringe on the rights of any third party, including any liens or security interests or any intellectual property rights (including any patents, trademarks, copyrights or trade secrets). These warranties will survive acceptance of and payment for the products. The failure of MSC or its customer to reject a product will not constitute a waiver of these warranties. All Supplier warranties run to and for the benefit of MSC's customers and end users.
- Supplier grants MSC a non-exclusive, irrevocable, worldwide, royalty-free **right to use** Supplier's logos, trademarks, service marks, trade names and domain names in connection with any MSC catalogs, websites or other sales and marketing materials, unless otherwise agreed in writing. MSC will use Supplier's intellectual property consistent with reasonable Supplier quality standards sent to MSC. All goodwill from MSC's use of Supplier's intellectual property will benefit Supplier.
- If any governmental authority seizes or orders **recall** of any of the products furnished by Supplier or if Supplier deems it necessary to recall any products, Supplier will reimburse MSC for all costs incurred by MSC in connection with such seizure or recall and, at MSC's option, either (a) replace, at no cost to MSC, the seized or recalled products with an equal quantity of complying products or (b) refund the purchase price paid by MSC for such products.
- Supplier will indemnify, defend, and hold harmless MSC and its shareholders, directors, officers, agents, employees, customers and subcontractors from any liability, claims, demands, damages, fines, penalties, costs or expenses (including reasonable attorney and other professional fees and disbursements) relating to (a) any products furnished to MSC or MSC's customers and (b) any act or omission of Supplier or its respective agents, employees or subcontractors. This provision (i) will apply regardless of whether a claim or demand arises under tort, negligence, contract, warranty, strict liability, non-compliance with governmental requirements or other legal theories, (ii) will not apply to the extent liability arises out of the negligence or willful misconduct of MSC or its agents, employees or subcontractors and (iii) will be in addition to any other remedies afforded by law.
- Supplier will at its own expense and at all times maintain in-force applicable liability insurance policies as described below; each of which shall include liability limits written on a combined single limit basis of not less than \$6,000,000 Per Occurrence with a combination of General Liability and Umbrella Liability.  
Commercial General Liability Insurance  
Each Occurrence: \$1,000,000  
Damage to Rented Premises (Each Occurrence): \$500,000  
Medical Payments: \$10,000  
Personal & Advertising Injury: \$1,000,000

General Aggregate: \$2,000,000  
Products/Completed Operations (Aggregate): \$1,000,000

### Umbrella

Each Occurrence: \$5,000,000  
Aggregate: \$10,000,000

Such insurance shall (i) contain coverage for contractual liability responsive to the indemnification provision contained in our standard Terms & Conditions, (ii) provide that defense costs will not apply against coverage limits, (iii) contain a waiver of subrogation in favor of MSC, where permitted by law, (iv) provide that such insurance is primary, non-contributory, and not excess coverage, (v) provide coverage for claims occurring worldwide, and (vi) name "MSC Industrial Direct Co., Inc and its Affiliates & Subsidiaries" business entities as additional insured. All coverage forms shall provide coverage that is at least as broad as the current ISO forms used in the domestic insurance industry of the United States of America. Products/Completed Operations coverage must remain in force for a period of six (6) years after delivery of any product to MSC.

- MSC is an equal opportunity employer and federal contractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.**
- Some products sold to MSC by Supplier may be re-sold to the U.S. Government or Government-chartered entities. Where and to the extent applicable, Supplier will comply with the most recent version of the clauses set forth in Federal Acquisition Regulation (FAR) 52.244-6, entitled "Subcontracts for Commercial Items," including without limitation FAR 52.204-25, and Defense Federal Acquisition Regulation Supplement (DFARS) 252.244-7000, entitled "Subcontracts for Commercial Items and Commercial Components." The full text of FAR clauses may be found at <https://www.acquisition.gov/>. The full text of DFARS clauses may be found at <http://farsite.hill.af.mil/VDFARa.htm>. Supplier will also cooperate with audit and inspection requirements of such Governmental entities. Products purchased hereunder may also be sold to state and local governments. Supplier will comply with applicable laws and regulations concerning wages, workplace safety, rights to association and assembly and nondiscrimination of the state, locality or country in which Supplier's facilities are located. Supplier will comply with the most recent version of the clauses set forth in FAR 52.222-50 entitled "Combating Trafficking in Persons" and FAR 52.222-56 entitled "Certification Regarding Trafficking in Persons Compliance Plan". Supplier also warrants and represents that no products furnished to MSC will have been laundered or produced by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor, exploitation of children, or any other form of human trafficking. In addition, Supplier agrees to comply with the latest version of the Supplier Requirements Document received during MSC's annual mailing and/or published online on MSC's website at <https://www.msdirect.com/global/media/pdf/suppliers/SupplierReqs.pdf?V=20131203>
- Supplier will furnish appropriate Safety Data Sheets where required by applicable laws or regulations, including applicable U.S. Department of Labor regulations.
- Supplier will comply with all applicable laws and regulations relating to the manufacture, packaging, sale, offering for sale, distribution, use, import, export, and shipment of the products supplied hereunder, including products containing regulated chemicals or substances. Supplier warrants that products supplied contain no polychlorinated biphenyls (PCBs), asbestos or mercury (except, in the case of mercury, to the extent mercury is required for the product to operate properly). Upon request, Supplier will provide MSC with information to ensure compliance with such laws and regulations. The parties agree MSC did not contribute to the design of any products sold hereunder.
- Upon request, Supplier will identify in writing, in a format specified by MSC, the country of origin for each product furnished.
- The purchase order, including these Terms & Conditions, is intended by the parties as a complete and exclusive statement of the terms and conditions of their relationship and supersedes all prior or contemporaneous agreements, written or oral, between the parties relating to the subject of the purchase order; provided, that, if the parties have entered into a separate supplier agreement that continues to be in effect on the date of the purchase order, the supplier agreement will supersede these Terms & Conditions. No course of prior dealings between the parties and no usage of the trade will be relevant to supplement or explain any term or condition. These Terms & Conditions may not be changed, amended or supplemented without MSC's written approval. MSC objects to the inclusion of any different or additional terms proposed by Supplier in the acceptance of the purchase order and, if such terms are included in Supplier's acceptance, a contract that results will be governed only by these Terms & Conditions.

**MSC is an Affirmative Action/Equal Employment Opportunity Employer**