

## I. GRAINGER STANDARD TERMS AND CONDITIONS

**Please read these terms and conditions carefully.** They contain important information concerning customer's ("Customer") legal rights, warranties, obligations and available dispute resolutions remedies. They also provide that if Grainger is unable to resolve any matter to Customer's satisfaction, Customer will exclusively use arbitration to decide the dispute and Customer will bring its claim solely on an individual basis and not in a class action or representative proceeding.

Except in those instances where Grainger and a business Customer ("Business Customer") enter into a separate written contract for the purchase of products and/or services providing for separate terms of sale, the following terms and conditions will apply. For clarification, the term "Customer" includes Business Customers as well as individuals, and the term Business Customer includes, but is not limited to, government, institutional, and educational customers.

Grainger reserves the right to revise these Terms and Conditions at any time.

### A. SALES POLICY FOR PRODUCTS

#### 1. Wholesale Only.

W.W. Grainger, Inc. ("Grainger") sells its complete offering wholesale to Business Customers, while also serving individuals.

#### 2. Prices.

A. "Web Prices" displayed on [grainger.com](http://grainger.com): (i) are offered to Customers that do not have other pricing arrangements with Grainger; (ii) are subject to these Terms of Sale; (iii) are available for orders placed on [grainger.com](http://grainger.com), by phone, or at Grainger branch locations; (iv) do not include freight, handling fees, taxes, and/or duties; and (v) are subject to change or correction at any time and without notice.

B. Customers that have other pricing arrangements with Grainger can view their prices and the applicable prices to which discounts, if any, are applied, when logged into their [grainger.com](http://grainger.com) account. Export orders may be subject to other special pricing.

C. Grainger reserves the right, in its sole discretion, to offer a volume discount ("Volume Discount") to Customers based upon the quantity of products purchased in a single transaction. Volume Discount pricing is subject to product availability, and quantity limits may apply. Resale by Customers at retail or online of products purchased under Volume Discount pricing is prohibited. Grainger reserves the right to: (i) accept or reject any Volume Discount order; or (ii) charge the full price for the product in the event that Volume Discount priced items are returned.

#### 3. Sales Tax.

Customer is responsible for payment of all applicable state and local taxes, or for providing a valid sales tax exemption certificate. When placing an order, Customer shall indicate which products are tax exempt.

#### 4. Payment and Credit Terms.

Grainger accepts cash, checks, money orders, Visa, MasterCard, Discover, and American Express. For Customers with established Grainger credit, payment terms are net thirty (30) days from the date of invoice or shipment or pick-up of products. Grainger's preferred method for Business Customer's payment is via Electronic Funds Transfer ("EFT") utilizing CTX820 format. All credit extended by Grainger and the limits of such credit, is at Grainger's sole discretion, and may be reduced or revoked by Grainger at any time, for any reason. As a condition for the continued extension of credit, Customer agrees to provide Grainger with current credit information and the latest annual financial statement within five (5) business days following request by Grainger. Grainger reserves the right to charge a convenience fee for late payments. Grainger further reserves the right to charge Customer a late payment fee at the rate of one and one-half percent (1-1/2%) of the amount due for each month or portion thereof that the amount due remains unpaid, or such amount as may be permitted under applicable law. Anticipation and cash discounts are not allowed. Export orders are subject to special export payment terms and conditions identified in Section III. All payments must be made in U.S. dollars. Grainger has the right of set-off and deduction for any sums owed by the Customer to Grainger. For payments made to Grainger via an Automated Clearing House (ACH) transaction, Customer authorizes Grainger to debit Customer's bank account for the purchase amount and agrees to have sufficient funds in its bank account to cover the ACH transaction. Customer authorized ACH transactions shall comply with all applicable laws and are bound by all applicable National Clearinghouse Association (NACHA) rules.

If the Customer fails to make payment within thirty (30) days from the date of invoice or shipment or pick-up of products, or fails to comply with Grainger's credit terms, or fails to supply adequate assurance of full performance to Grainger within a reasonable time after requested by Grainger (such time as specified in Grainger's request), Grainger may defer shipments until such payment or compliance is made, require cash in advance for any further shipments, demand immediate payment of all amounts then owed, elect to pursue collection action (including without limitation, attorneys' fees and any and all other associated costs of collection), and/or may, at its option, cancel all or any part of an unshipped order. If Customer fails to comply with these payment terms, Grainger may, at its sole discretion, and without notice, immediately terminate any agreements it has with Customer. Upon such termination all amounts owed by Customer to Grainger shall become immediately due and payable.

Grainger has the right, at any time and in its sole discretion, to immediately change the terms of any credit extended to Customer if: (i) there is a material change in Customer's financial capability or creditworthiness; (ii) Business Customer enters into or signs an agreement regarding any Change of Control; or (iii) a trustee, receiver or examiner is appointed for Business Customer or its affiliates or subsidiaries or Business Customer's plan of reorganization is confirmed by a U.S. Bankruptcy Court. "Change of Control" means any (x) sale, lease, or other disposition of all or substantially all of Business Customer's assets; (y) transaction or series of related transactions (by stock sale or otherwise) in which any person or entity becomes the beneficial owner, directly or indirectly, of more than 50% of Business Customer's voting control; or (z) merger or consolidation involving Business Customer.

Additionally, Business Customer, and each of its subsidiaries and affiliates, agrees to provide to Grainger proper authorization necessary for Grainger to request any financial information from third parties.

Business Customer hereby unconditionally guarantees payment as a primary obligor of, as provided herein, all purchases made by Business Customer, its subsidiaries and affiliates. Each of Business Customer's subsidiaries and affiliates purchasing from Grainger are jointly and severally liable for all purchases made by Business Customer and its subsidiaries, and Customer is also acting as agent for such subsidiaries and affiliates. Business Customer further agrees to defend, indemnify and hold harmless Grainger from any and all claims, injuries, damages, losses or suits, including, without limitation, attorneys' fees and costs, arising out of, or in connection with any attempt to disgorge or recover payments to Grainger made on behalf of Business Customer by a subsidiary and affiliate on the grounds that such payment was improper, unauthorized, or constituted a fraudulent transfer.

#### 5. Security Interest.

Customer hereby grants to Grainger a first priority purchase money security interest and/or chattel mortgage in the products and any accounts receivable or cash from resale thereof until full payment is made to Grainger. Customer agrees to file, and it permits and authorizes Grainger to file, any financing statements or other appropriate documents with its governmental authorities to perfect the validity, priority, and enforceability of Grainger's lien or security interest.

#### 6. Credit Balance.

Customer agrees that any credit balance(s) issued by Grainger must be used within two (2) years from the date the credit was issued and may only be used for purchases of products. Any unused credit or portion thereof will automatically expire after two (2) years, or be processed pursuant to state law.

## B. DISPUTE RESOLUTION - ARBITRATION

Any dispute of any sort that might arise between Grainger and Customer, including any matters or disputes relating to or arising from the purchase or use of any product, service, or information offered or made available through Grainger, or arising from or relating to any communication between Customer and Grainger or its agents, **will be resolved by binding arbitration, rather than in court, and solely on an individual basis and not in a class, consolidated or representative action**, except that Customer may assert claims in small claims court if Customer's claims qualify.

Customer acknowledges and agrees that it is waiving the right to sue or go to court to secure relief. The Federal Arbitration Act and federal arbitration law apply to all disputes between Grainger and Customer, including any disputes relating to or arising from any purchases made by Customer.

**There is no judge or jury in arbitration, and court review of an arbitration award is limited. However, an arbitrator can award on an individual basis the same damages and relief as a court (including injunctive and declaratory relief or statutory damages).**

To begin an arbitration proceeding, Customer must send a letter requesting arbitration and describing its claim to Grainger's registered agent, CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, IL 60604. The arbitration will be conducted by the American Arbitration Association ("AAA") under its rules, including the AAA's Supplementary Procedures for Consumer-Related Disputes if applicable. The AAA's rules are available at [www.adr.org](http://www.adr.org) or by calling 1-800-778-7879.

Payment for all filing, administration and arbitrator fees will be governed by the AAA's rules. Grainger will reimburse those fees for claims totaling less than \$10,000 unless the arbitrator determines the claims are frivolous. Likewise, Grainger will not seek attorneys' fees and costs in arbitration unless the arbitrator determines the claims are frivolous. For claims totaling less than \$10,000, Customer may choose to have the arbitration conducted by telephone, or based on written submissions. For all other claims, the proceeding will be conducted in person in the county where Customer lives or at another mutually agreed location.

Under the terms of AAA Rule 7 of the AAA Rules, Customer and Grainger each agree that the arbitration panel has the power to rule on any objections to the existence, scope, or validity of the arbitration agreement or to the arbitrability of any claim. If for any reason a claim proceeds in court rather than in arbitration **Grainger and Customer each waive any right to a jury trial and further agree that any such court proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action.**

If any provision of this Section B, is held to be invalid or unenforceable, then that provision or portion notwithstanding, this Section B will remain in force and effect, and such provision or portion will be deemed omitted, and this Section B will be construed as if such provision had not been contained herein.

Grainger and Customer both agree that either party may bring suit in court to enjoin infringement or other misuse of intellectual property rights.

## C. FREIGHT POLICY

All Catalog Products and Sourced Products are shipped F.O.B. Origin with all costs imposed by the carrier related to the shipment paid by Grainger and charged to Customer on Customer's invoice. Receipts for freight charges will not be furnished. COD shipments are not permitted. Fuel surcharges and other surcharges may be applied. Title and risk of loss pass to Customer upon tender of shipment to the carrier. If the product is damaged in transit, Customer's only recourse is to file a claim with the carrier. If Buyer chooses freight collect, shipments will be F.O.B. Origin using carrier designated by Customer.

## D. PRODUCT WARRANTY POLICY

### 1. SATISFACTION GUARANTEE TO ALL CUSTOMERS.

Customer should contact Grainger if not satisfied with a product for any reason. Unless otherwise noted herein, Grainger will promptly provide an exchange or refund if the product is returned within 30 days of date of invoice, with proof of purchase from Grainger.

### 2. LIMITED WARRANTY.

A. ALL PRODUCTS SOLD ARE WARRANTED BY GRAINGER ONLY TO CUSTOMERS FOR: (i) RESALE; OR (ii) USE IN BUSINESS OR GOVERNMENT.

B. GRAINGER WARRANTS PRODUCTS AGAINST DEFECTS IN MATERIALS AND WORKMANSHIP UNDER NORMAL USE FOR A PERIOD OF ONE (1) YEAR AFTER THE DATE OF INVOICE FROM GRAINGER, UNLESS OTHERWISE STATED. PROVIDED THAT GRAINGER ACCEPTS THE PRODUCT FOR RETURN DURING THE LIMITED WARRANTY PERIOD, GRAINGER MAY, AT ITS OPTION: (i) REPAIR; (ii) REPLACE; OR (iii) REFUND THE AMOUNT PAID BY THE CUSTOMER. CUSTOMER MUST RETURN THE PRODUCT TO THE APPROPRIATE GRAINGER BRANCH OR AUTHORIZED SERVICE LOCATION, AS DESIGNATED BY GRAINGER, SHIPPING COSTS PREPAID. GRAINGER'S REPAIR, REPLACEMENT, OR REFUND OF AMOUNTS PAID BY CUSTOMER FOR THE PRODUCT, SHALL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY.

### 3. WARRANTY DISCLAIMER AND LIMITATIONS OF LIABILITY.

A. FOR BUSINESS CUSTOMERS: EXCEPT AS SET FORTH HEREIN AND WHERE APPLICABLE, NO WARRANTY OR AFFIRMATION OF FACT OR DESCRIPTION, EXPRESS OR IMPLIED, IS MADE OR AUTHORIZED BY GRAINGER. GRAINGER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. GRAINGER ALSO DISCLAIMS ANY LIABILITY FOR CLAIMS ARISING OUT OF PRODUCT MISUSE, IMPROPER PRODUCT SELECTION, IMPROPER INSTALLATION, PRODUCT MODIFICATION, MISREPAIR OR MISAPPLICATION. GRAINGER EXPRESSLY DISCLAIMS ANY LIABILITY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, OR PUNITIVE DAMAGES TO THE EXTENT PERMISSIBLE. GRAINGER'S LIABILITY IN ALL EVENTS IS LIMITED TO THE PURCHASE PRICE PAID FOR THE PRODUCT THAT GIVES RISE TO ANY LIABILITY.

B. FOR ALL OTHER CUSTOMERS: EXCEPT AS SET FORTH HEREIN AND WHERE APPLICABLE, NO WARRANTY OR AFFIRMATION OF FACT OR DESCRIPTION, EXPRESS OR IMPLIED, IS MADE OR AUTHORIZED BY GRAINGER. GRAINGER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. GRAINGER ALSO DISCLAIMS ANY LIABILITY FOR CLAIMS ARISING OUT OF PRODUCT MISUSE, IMPROPER PRODUCT SELECTION, IMPROPER INSTALLATION, PRODUCT MODIFICATION, MISREPAIR OR MISAPPLICATION. GRAINGER EXPRESSLY DISCLAIMS ANY LIABILITY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, OR PUNITIVE DAMAGES TO THE EXTENT PERMISSIBLE.

CERTAIN STATE LAWS DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES OR THE EXCLUSION OR LIMITATION OF CERTAIN DAMAGES. IF THESE LAWS APPLY, SOME OR ALL OF THE ABOVE DISCLAIMERS, EXCLUSIONS, OR LIMITATIONS MAY NOT APPLY AND OTHER RIGHTS MAY BE AVAILABLE.

### 4. Warranty Product Return.

Before returning any product, Customer may contact Grainger either by logging on to [grainger.com/returns](http://grainger.com/returns) or calling Grainger's Customer Care at 1-800-GRAINGER (472-4643). Proof of purchase is required in all cases.

## **5. Manufacturer's Warranty.**

For information on a specific manufacturer's warranty, please contact the local Grainger branch or call Grainger Customer Care at 1-800-GRAINGER (472-4643).

## **6. Product Compliance and Suitability.**

Jurisdictions have varying laws, codes and regulations governing construction, installation, and/or use of products for a particular purpose. Certain products may not be available for sale in all areas. Grainger does not guarantee that the products it sells are compliant with any such laws, codes or regulations, or suitable for a particular purpose. Nor does Grainger accept responsibility for construction, installation and/or use of a product. It is Customer's responsibility to review the product application and all applicable laws, codes and regulations for each relevant jurisdiction to be sure that the construction, installation, and/or use involving the products are compliant.

## **7. Cross-Reference Information.**

Product cross-reference comparisons or product alternatives that are presented do not imply that products are available or perfectly comparable. CROSS-REFERENCED PRODUCTS OR PRODUCT ALTERNATIVES ARE NOT REPRESENTED OR WARRANTED AS FUNCTIONAL OR PERFORMANCE EQUIVALENTS. Customer shall review all cross-referenced product or product alternative specifications prior to purchase and use to determine suitability of the product for Customer's intended use.

## **E. PRODUCT INFORMATION**

### **1. Catalog/Website Information.**

Grainger is a distributor of products. Information about the products in the Grainger catalog or website is provided by the manufacturers and/or suppliers. Product depictions in the catalogs and websites are for illustrative purposes only. Possession of, or access to, any Grainger catalog, literature or websites does not constitute the right to purchase products. Grainger reserves the right to revise publishing errors in its catalogs or any of its websites. Despite our efforts, occasional pricing errors may occur in the Grainger catalogs and websites, and Grainger reserves the right to correct or change such pricing errors without notice. Grainger further reserves the right to cancel any and all orders resulting from such pricing errors, even if Customer has received an order confirmation from Grainger.

### **2. Product Substitution.**

Products and/or country of origin may be substituted and may not be identical to descriptions and/or images published in the catalog or on the website.

### **3. Safety Data Sheets.**

Safety Data Sheets ("SDS") for OSHA defined hazardous substances are supplied by the manufacturers and/or suppliers. **GRAINGER MAKES NO WARRANTIES AND EXPRESSLY DISCLAIMS ALL LIABILITY TO ANY CUSTOMER OR USER WITH RESPECT TO THE ACCURACY OF THE INFORMATION OR THE SUITABILITY OF THE INFORMATION IN ANY SDS. CUSTOMER END USER IS SOLELY RESPONSIBLE FOR ANY RELIANCE ON OR USE OF ANY INFORMATION, AND FOR USE OR APPLICATION OF ANY PRODUCT.** To request an SDS: log on to Grainger.com and click on the "View the Safety Data Sheet" (SDS) for this item, email [product.compliance@Grainger.com](mailto:product.compliance@Grainger.com), or write to: Grainger, Dept. B1L57, 100 Grainger Parkway, Lake Forest, IL 60045, U.S.A.

### **4. California Proposition 65.**

The State of California requires that certain warnings be given concerning products which contain chemicals subject to Proposition 65. A complete list of Proposition 65 regulated chemicals is available at [www.oehha.ca.gov](http://www.oehha.ca.gov). For identification of products which contain a chemical subject to Proposition 65, go to [grainger.com](http://grainger.com). Applicable Proposition 65 warning(s) are provided directly on the [grainger.com](http://grainger.com) product page and upon product purchase.

### **5. Purchasers of Products used with or for Potable Water.**

The Federal Safe Drinking Water Act and regulations in CA, LA, MD, and VT prohibit plumbing products (including but not limited to pipes, pipe fittings, solder, flux, plumbing fitting, etc.) used to convey water for human consumption that are not "lead free" as defined by the regulations. In order to determine your particular state's standards applicable to the products you purchase for use in or for potable water applications, direct your inquiries to the appropriate regulatory agency in your state. In order to determine the federal standards applicable to the products you purchase for use in or for potable water applications, visit <http://water.epa.gov/drink/info/lead/index.cfm>. For identification of products impacted by these regulations, go to [grainger.com](http://grainger.com).

### **6. Important Notice to Federal Customers Re: Country of Origin.**

In compliance with the U.S. Trade Agreement Act, Grainger's catalog offering includes product Country of Origin information. Country of Origin information presented on [grainger.com](http://grainger.com) is subject to change without notice. Grainger does not certify that its catalog product offering is compliant with any other U.S. Government domestic preference law or regulation.

### **7. Refrigerant Customers.**

In accordance with the Federal Clean Air Act, sale of Class 1 ("CFC") and Class 2 ("HCFC") refrigerant will be restricted to resale purchases and/or to certified professional service technicians. To purchase regulated refrigerant products, all Customers must present a certification card or sign a statement of resale to complete the purchase.

## **F. GENERAL TERMS**

### **1. Electronic Data Interchange.**

If Grainger and Business Customer mutually agree to use an Electronic Data Interchange ("EDI") system to facilitate purchase and sale transactions, Business Customer agrees that it will not contest: (i) any contract of sale resulting from an EDI transaction under the provisions of any law relating to whether agreements must be in writing or signed by the party to be bound thereby; or (ii) the admissibility of copies of EDI records under the business records exception to the hearsay rule, the best evidence rule or any other similar rule, on the basis that such records were not originated or maintained in documentary form. Grainger and Business Customer will negotiate and agree on technical standards and methods to use in making EDI purchases, and will use reasonable security procedures to protect EDI records from improper access. In the event of a conflict, the business records maintained by Grainger regarding EDI purchases made by Business Customer shall be deemed to be conclusive.

### **2. Third Party Payment Provider.**

If Business Customer elects to use a third party payment system provider ("Third Party Provider") and Grainger is charged fees by the Third Party Provider, Grainger reserves the right to seek reimbursement from Business Customer for any and all costs paid to the Third Party Provider for the transfer of funds, retrieval of payment detail, or any other purpose from the Third Party Provider.

### **3. Intellectual Property.**

Customer shall have no right, title, or interest in the trade names, trademarks, trade dress, copyrights, patents, domain names, product names, catalogs or any other intellectual property rights ("IP") reserved by Grainger, or any IP owned by manufacturers and/or suppliers to Grainger. All materials contained in Grainger catalogs or on its websites are subject to the ownership rights of Grainger and its manufacturers and/or suppliers. Customer shall have no right to copy or use any IP of Grainger or its manufacturers and/or suppliers without Grainger's permission.

### **4. Independent Contractors.**

Grainger and Customer are independent contractors and not principal and agent. Nothing contained in these terms and conditions shall be construed to create a partnership, dealership, reseller, agency, employment or joint venture relationship. Customer does not have the right to bind or otherwise obligate Grainger in any manner, nor may Customer represent to anyone that it has the right to do so.

#### **5. Code of Conduct.**

Grainger's Business Conduct Guidelines are available by logging on to [grainger.com](http://grainger.com), clicking on the "Investor Relations" link at the bottom of the page, and accessing Governance. Customer agrees to refrain from taking any action that may cause a Grainger employee to violate the Business Conduct Guidelines. Customer should report any alleged violations by logging onto <https://secure.ethicspoint.com/domain/media/en/gui/58157/index.html> or calling the Grainger Toll-Free Hotline at (888)873-3731.

#### **6. Sourced Product.**

Grainger may procure product not available through Grainger catalogs or available on [grainger.com](http://grainger.com) for a Customer from the manufacturer or other sources ("Sourced Product(s)"). Sourced Product is priced according to current market conditions on a per order basis, and is shipped F.O.B. origin with all freight and handling fees paid by Grainger and charged to Customer. All Sourced Product returns are subject to the manufacturer's return policy and may not be returnable. Sourced Products consisting of special-order items may not be returned. Please contact Grainger at Customer Care at 1-800-GRAINGER (472-4643) to verify Sourced Product return eligibility before returning any Sourced Product. A RGA (Returned Goods Authorization) must be issued by Grainger prior to returning Sourced Product. A restocking fee and other charges may apply for any returned Sourced Product. Returned Sourced Product must be in new/unused and in original packaging. Customer is responsible for return shipping costs for Sourced Products. No cancellations, refunds or credits are allowed for Sourced Products sold on a "FINAL SALE" basis. THE PRODUCT WARRANTY PROVIDED BY THE MANUFACTURER AND/OR SUPPLIER OF THE SOURCED PRODUCT WILL BE CUSTOMER'S SOLE REMEDY. GRAINGER'S LIMITED WARRANTY TERMS INCLUDED IN THESE TERMS AND CONDITIONS DO NOT APPLY TO SOURCED PRODUCTS.

#### **7. Custom Product.**

Grainger may offer products manufactured or assembled to Customers specifications ("Custom Product(s)"). Grainger is not responsible for verifying or confirming the accuracy of specifications provided by Customer to Grainger for Custom Products. Custom Product(s) also include items purchased under the Custom Product Center on [grainger.com](http://grainger.com). GRAINGER'S LIMITED WARRANTY TERMS INCLUDED IN THESE TERMS AND CONDITIONS DO NOT APPLY TO CUSTOM PRODUCTS. THE PRODUCT WARRANTY PROVIDED BY THE MANUFACTURER AND/OR SUPPLIER OF THE CUSTOM PRODUCT WILL BE CUSTOMER'S SOLE REMEDY, AND ALL OTHER WARRANTIES ARE DISCLAIMED UNDER SECTION I.D.3 ABOVE. All Custom Products are sold on a "FINAL SALE" basis only, and no cancellations, returns, refunds or credits are allowed.

#### **8. Cancellation.**

All product order cancellations, if not prohibited above, must be approved by Grainger, and may be denied or subject to restocking fees and other charges.

#### **9. Product Returns.**

Product returns by Customers outside of Grainger's 30-Day Satisfaction guaranteed period, must be made within one (1) year from date of invoice, unless otherwise indicated. Customers should go to [grainger.com/returns](http://grainger.com/returns) for instructions. Grainger does not take title to returned products until the item is received by Grainger at the applicable return location. Proof of purchase is required in all cases. Returned product must be in original packaging, unused, undamaged, unexpired, and in saleable condition. Product returns may be denied or made subject to restocking fees and other charges by Grainger.

#### **10. Materials of Trade.**

Business Customer represents that if it is purchasing products as its "materials of trade," as defined in the Hazardous Materials Regulations in Title 49 of the Code of U.S. Federal Regulations, the products shall be used in direct support of Business Customer's business, such business does not concern transportation, and such products shall not be resold or transported in a vehicle other than one owned by Business Customer.

#### **11. Force Majeure.**

Grainger shall not be liable for any delay in, or impairment of, performance resulting in whole or in part from any force majeure event, including but not limited to acts of God, labor disruptions, acts of war, acts of terrorism (whether actual or threatened), governmental decrees, controls or acts of authority, states of emergency, insurrections, epidemics, pandemics, quarantines, shortages, communication or power failures, fires, accidents, explosions, inability to procure or ship product or obtain permits and licenses, inability to procure supplies or raw materials, severe weather conditions, catastrophic events, or any other circumstance or cause beyond the reasonable control of Grainger in the conduct of its business.

#### **12. Assignment.**

Customer shall not assign any order, or any interest therein, without the prior written consent of Grainger. Any actual or attempted assignment without Grainger's prior written consent shall entitle Grainger to cancel such order upon notice to Customer.

#### **13. No Third-Party Benefit.**

The provisions stated herein are for the sole benefit of the parties hereto, and confer no rights, benefits or claims upon any person or entity not a party hereto.

#### **14. Waiver, Choice of Law and Venue.**

The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition will not constitute a waiver of that right or excuse any subsequent non-performance of any such term or condition by the other party. All transactions shall be governed by the laws of the State of Illinois, excluding its conflict of law rules, and to the extent allowed under these terms and conditions, both Grainger and Customer agree that venue shall be proper either in the state courts in Lake County, Illinois or the federal courts for the Northern District of Illinois.

#### **15. Severability.**

If any portion of these terms and conditions is found to be invalid or unenforceable, the invalid or unenforceable term shall be severed from these terms and conditions, and the remaining terms and conditions shall be valid and fully enforceable as written.

#### **16. Modification of Terms.**

Grainger's acceptance of any order is subject to Customer's assent to all of the terms and conditions set forth herein. Customer's assent to these terms and conditions shall be presumed from Customer's receipt of Grainger's acknowledgment, or from Customer's acceptance of all or any part of the products ordered. No additions or modifications of Grainger's terms and conditions by Customer shall be binding upon Grainger, unless agreed to in writing by an authorized representative of Grainger. If a purchase order or other correspondence submitted by Customer contains terms or conditions contrary or in addition to the terms and conditions contained herein or in Grainger's acknowledgment, Grainger's fulfillment of any such purchase order shall not be construed as assent to any of the terms and conditions proposed by Customer, and will not constitute a waiver by Grainger of any of the terms and conditions contained herein or in Grainger's acknowledgment. Grainger reserves the right to accept or reject any order. Grainger reserves the right to limit the total quantity of items purchased per order and the number of individual orders placed per Customer per day.

#### **17. Complete Agreement.**

The terms and conditions in: (i) Grainger's forms; (ii) acknowledgments; (iii) quotations; (iv) invoices; (v) websites; (vi) catalogs; and (vii) extension of credit are incorporated herein by reference, and constitute the entire and exclusive agreement between Customer and Grainger.

#### **18. Authorization.**

Business Customers represent that any person accepting these Terms of Sale on behalf of the Business Customer is authorized to do so and that all employees and representatives of the Business Customer who access [grainger.com](http://grainger.com) or any other Grainger website or application on behalf of the Business Customer or otherwise purchase products from Grainger on behalf of Business Customer have the legal right, and are duly authorized, to make such purchases and further authorized to enter into agreements relating to the purchase of products or services or to obtain pricing or

discounts from Grainger on behalf of Business Customer. Business Customers hereby agree to indemnify and hold Grainger harmless against any breach of this representation.

**19. General Liability Disclaimer.**

Grainger disclaims any and all liabilities arising from its relationship with Customer except as otherwise provided in these Terms of Sale.

**II. ADDITIONAL TERMS AND CONDITIONS RELATED TO THE PERFORMANCE OF SERVICES BY GRAINGER OR OTHER PROVIDERS FOR BUSINESS CUSTOMERS**

IN ADDITION TO THE STANDARD TERMS AND CONDITIONS IN SECTION I, PERFORMANCE OF SERVICES WILL BE GOVERNED BY THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS ("ADDITIONAL SERVICE TERMS"). SERVICES MAY BE PERFORMED BY: (i) GRAINGER, ITS SUBSIDIARIES, AFFILIATES OR SUBCONTRACTORS ("GRAINGER"); OR (ii) THIRD-PARTY SERVICE PROVIDERS ENGAGED BY GRAINGER ("THIRD-PARTY PROVIDERS"). FOR PURPOSES OF THIS SECTION II, "SERVICE PROVIDER" REFERS TO EITHER GRAINGER OR A THIRD-PARTY PROVIDER DEPENDING UPON WHICH OF THEM IS PERFORMING SERVICES, AND "SERVICE PROVIDER PERSONNEL" REFERS TO PERSONNEL OF SUCH SERVICE PROVIDER.

THE TERMS AND CONDITIONS CONTAINED IN THIS SECTION II ARE EXTENDED SOLELY BY THE SPECIFIC SERVICE PROVIDER PERFORMING SERVICES, AND ANY OBLIGATIONS CONTAINED IN THIS SECTION II DO NOT APPLY TO ANY OTHER SERVICE PROVIDER REFERENCED IN THE FOREGOING PARAGRAPH. A THIRD-PARTY PROVIDER MAY REQUIRE BUSINESS CUSTOMER TO EXECUTE ADDITIONAL CONTRACTUAL DOCUMENTS PRIOR TO THE PERFORMANCE OF SERVICES, WHICH DOCUMENTS SHALL SUPPLEMENT THE TERMS BETWEEN BUSINESS CUSTOMER AND SUCH THIRD-PARTY PROVIDER AS SET FORTH IN THIS SECTION II.

IN THE EVENT OF A CONFLICT BETWEEN THE STANDARD TERMS AND CONDITIONS IN SECTION I AND THE ADDITIONAL SERVICE TERMS IN SECTION II, THE ADDITIONAL SERVICE TERMS IN SECTION II SHALL PREVAIL FOR THE PERFORMANCE OF SERVICES.

**1. LIMITED SERVICES WARRANTY.**

ALL SERVICES WILL (i) BE PERFORMED IN A WORKMANLIKE MANNER; (ii) CONFORM TO THE SPECIFICATIONS (IF ANY) PROVIDED BY THE SERVICE PROVIDER IN A STATEMENT OF WORK; AND (iii) BE WARRANTED FOR A PERIOD OF NINETY (90) DAYS AFTER PERFORMANCE OF SERVICES ("LIMITED WARRANTY PERIOD"). IF SERVICES ARE IMPROPERLY PERFORMED AND BUSINESS CUSTOMER NOTIFIES THE SERVICE PROVIDER OF THE IMPROPERLY PERFORMED SERVICE DURING THE LIMITED WARRANTY PERIOD, THEN THE SERVICE PROVIDER WILL RE-PERFORM THOSE SERVICES, IN WHOLE OR IN PART, AS NECESSARY TO CURE THE PARTICULAR BREACH, OR AT THE SERVICE PROVIDER'S SOLE OPTION, REFUND THE AMOUNT PAID BY BUSINESS CUSTOMER FOR THE SERVICES DIRECTLY ATTRIBUTABLE TO THE PARTICULAR BREACH. THE SERVICE PROVIDER'S RE-PERFORMANCE OR REFUND OF AMOUNTS PAID BY BUSINESS CUSTOMER FOR THE SERVICE DIRECTLY ATTRIBUTABLE TO THE PARTICULAR BREACH SHALL BE BUSINESS CUSTOMER'S SOLE AND EXCLUSIVE REMEDY.

**2. WARRANTY DISCLAIMER AND WAIVER FOR SERVICES.**

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE EXPRESS WARRANTIES SET FORTH IN THIS SECTION II FOR SERVICES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND THE SERVICE PROVIDER DISCLAIMS, AND BUSINESS CUSTOMER WAIVES, ALL OTHER WARRANTIES FOR SERVICES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY. THE WARRANTIES SET FORTH IN THIS SECTION II ARE EXPRESSLY CONDITIONED UPON THE USE OF THE SERVICES FOR THEIR INTENDED PURPOSE AND SHALL NOT APPLY TO SERVICES WHICH HAVE BEEN SUBJECT TO MODIFICATION BY BUSINESS CUSTOMER OR ANY THIRD PARTY.

**3. LIMITATION OF LIABILITY.**

GRAINGER AND THIRD-PARTY PROVIDERS EXPRESSLY DISCLAIM ANY LIABILITY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES IN THE PERFORMANCE OF SERVICES. THE LIABILITY OF GRAINGER OR ANY THIRD-PARTY PROVIDER PERFORMING SERVICES IN ALL CIRCUMSTANCES IS LIMITED TO, AND SHALL NOT EXCEED, THE PURCHASE PRICE FOR THE PERFORMANCE OF THE PORTION OF SERVICES THAT GIVES RISE TO ANY PARTICULAR LIABILITY.

**4. Payment and Credit Terms.**

Except as otherwise agreed to by the parties, Business Customer will be invoiced upon completion of services. Payment terms are net thirty (30) days from the date of invoice. All other payment terms are as set forth in Section I.A.4.

**5. Termination.**

Service Provider or Business Customer may terminate their service agreement at any time and for any reason upon thirty (30) days' written notice to the other party. If terminated by Business Customer, Business Customer shall pay Service Provider an amount equal to the greater of (i) Ten percent (10%) of the total project cost quotation thereto (the "Total Project Cost"), or (ii) an amount equal to the Total Project Cost multiplied by the percentage completion for such project at the time the notice of termination is given, as determined by Service Provider.

**6. Indemnity.**

Business Customer shall defend, indemnify and hold harmless Grainger, Third-Party Providers, and their respective officers, directors, employees, subcontractors and agents (each individually, an "Indemnified Party") from and against any and all claims, suits, liabilities, damages, settlements, charges, taxes and any other losses or expenses (including reasonable attorneys' fees) (collectively "Liabilities") for physical injury to, illness or death of, any third party regardless of status and damage to or destruction of any tangible property which the third party may sustain or incur, to the extent such Liabilities relate to the services; except for such Liabilities relating to or arising out of a final judgment of gross negligence or willful misconduct of the Indemnified Party. In any action, suit or proceeding brought against an Indemnified Party by reason of any such claim as specified above, Business Customer shall resist and defend such action, suit or proceeding by counsel of its choice, at the sole expense of Business Customer, provided that (i) the Indemnified Party notifies Business Customer promptly in writing of the claim; (ii) Business Customer's counsel does not give rise to a conflict of interest with respect to the Indemnified Party; (iii) Business Customer has the sole control of the defense and all related settlement negotiation but shall keep the Indemnified Party reasonably informed of status; and (iv) the Indemnified Party provides Business Customer with all reasonably necessary assistance, information, and authority to perform the foregoing at Business Customer's expense.

**7. Access to Customer's Premises.**

To the extent access to Business Customer's premises is required, Business Customer shall provide Service Provider Personnel access to Business Customer's premises free of charge as necessary for performance of services supplied by Service Provider. Prior to starting any work at Business Customer's premises, Business Customer will: (i) provide documentation that identifies any existing hazardous materials, or dangerous or potentially dangerous conditions on or about Business Customer's premises; and (ii) allow Service Provider Personnel, at its option, reasonable access to Business Customer's premises to perform or have performed a visual site inspection. Service Provider will have no responsibility or liability for the actual existing conditions; or identifying, correcting or advising Business Customer of existing conditions on Business Customer's premises ("Pre-Existing Conditions"), and Business Customer shall be responsible for and shall indemnify each Service Provider and each of the Service Provider Personnel from and against any Liabilities arising out of or relating to any Pre-Existing Conditions, regardless of whether previously disclosed to any Service Provider or Service Provider Personnel. Business Customer shall not attempt to condition the right of Service Provider Personnel to obtain free access to Business Customer's premises upon the signing of any agreement, waiver, or release which in any way purports to affect the legal rights or obligations of Service Provider or Service Provider Personnel. If any Service Provider Personnel signs such an agreement, waiver, or release, it shall be of no force and effect.

#### **8. Health and Safety Matters.**

Business Customer shall take all precautions, at all times, for the health and safety of Service Provider Personnel at Business Customer's premises, including but not limited to (i) identifying to Service Provider all hazardous materials or safety or health hazards to which Service Provider Personnel on Business Customer's premises may be exposed; (ii) providing to Service Provider Personnel for review, and instructing Service Provider Personnel regarding Business Customer's safety practices; and (iii) proper and safe handling of, and protection of, Service Provider Personnel from exposure to hazardous materials or dangerous conditions. Business Customer agrees to provide Service Provider Personnel with all safety health and other protections required by law for Business Customer's own employees, including, without limitation, all protections required by federal, state and local laws, standards, regulations, orders and other requirements under OSHA, and similar workplace safety and health statutes and programs.

#### **9. Right to Subcontract.**

Business Customer agrees that the Service Provider may subcontract the performance of services to third parties. Business Customer authorizes the Service Provider to disclose all information to the subcontractor, including confidential information necessary for such performance of services by the subcontractor.

#### **10. No Third Party Reliance.**

Business Customer acknowledges and agrees that any advice, recommendation, information or work product provided to Business Customer by Service Provider in connection with the services is for the sole use of Business Customer and may not be relied upon by any third party; and Business Customer is prohibited from making such advice, recommendation, information or work product available to any third party without prior written consent from Grainger.

#### **11. Value-Added Services.**

As part of its Services provided to Business Customers, Grainger will provide product recommendations, including substitute or alternative products when availability may be limited, operational insights, and personalized features (as may be selected by each individual user), based on Business Customer's purchase patterns from Grainger.

### **III. ADDITIONAL TERMS AND CONDITIONS RELATED TO EXPORT OF GRAINGER PRODUCTS**

**IN ADDITION TO THE STANDARD TERMS AND CONDITIONS IN SECTION I, EXPORT SALES OF GRAINGER PRODUCTS WILL BE GOVERNED BY THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS RELATED TO EXPORT OF GRAINGER PRODUCTS ("ADDITIONAL EXPORT TERMS"). IN THE EVENT OF A CONFLICT BETWEEN GRAINGER'S STANDARD TERMS AND CONDITIONS IN SECTION I AND THE ADDITIONAL EXPORT TERMS IN SECTION III, THE ADDITIONAL TERMS IN SECTION III SHALL PREVAIL FOR EXPORT SALES OF GRAINGER PRODUCTS.**

#### **1. Order Acceptance.**

Customer acknowledges that no order shall be deemed accepted unless and until it is verified and accepted by Grainger, or any of its U.S. affiliates and divisions, at a continental U.S. facility or at any of its websites. Customer further consents that submission of its order shall subject Customer to the jurisdiction of the federal courts of the U.S. and of the State where acceptance occurred in the U.S.

#### **2. Sales Tax and Duties, Import Fees.**

Grainger is required to charge U.S. federal, state, local tax, applicable duties, and import fees on products, or for providing a valid exemption certificate. Customer assumes responsibility for, and unconditionally guarantees payment or reimbursement of, all applicable taxes, fees, licenses, import duties, and expenses as may be applicable. When placing an order, Customer shall indicate which products are tax exempt.

#### **3. Payment and Credit Terms.**

Payment terms are net forty-five (45) days from the date of shipment. All other payment terms are as set forth in Section I.A.4. Customer agrees to inform Grainger immediately if it intends to use any import or export financing, or has or will be granting a lien or security interest on its inventory to any third party.

#### **4. Shipping Charges and Freight Policy.**

All Grainger export orders are shipped under INCOTERMS® 2020 rules as defined by the International Chamber of Commerce. Unless otherwise stated and agreed to in writing by Grainger, default shipping term is FCA Grainger shipping location, excluding export customs clearance. Other shipments are freight collect from any Grainger facility. Customer shall be responsible for obtaining insurance. At Grainger's option, this freight policy may be subject to special terms and conditions for certain export orders. If any item is backordered that qualifies for freight prepayment, that item will be shipped prepaid as Customer's exclusive remedy. Title and risk of loss pass to Customer upon tender of shipment to the Customer selected export carrier.

#### **5. Export Controls and Related Regulations.**

Customer represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List. Customer shall comply with all applicable U.S. economic sanctions and export control laws and regulations, including without limitation, the regulations administered by OFAC, the Export Administration Regulations ("EAR") administered by BIS, and the International Traffic in Arms Regulations administered by DDTC.

#### **6. Foreign Principal Party in Interest; Freight Forwarder and Documentation.**

It is specifically agreed that Customer shall be the foreign principal party in interest ("FPPI") and/or that its freight forwarder shall act as Customer's agent in such capacity for purposes of the Foreign Trade Regulations or other regulatory purposes, and Customer and its freight forwarder are responsible for all routed export transactions documentation, including but not limited to the filing of the required Electronic Export Information/Automated Export System records. At Grainger's request, Customer or its freight forwarder shall provide copies of any export, shipping, or import documentation prepared by Customer or its freight forwarder related to sales to Customer by Grainger. In the event a license is required for export from the U.S., then (i) Grainger reserves the right to select its own freight forwarder to facilitate and file the export license; or (ii) the FPPI will provide Grainger written notice that it expressly assumes responsibility for determining licensing requirements and obtaining the license, thereby making the U.S. agent of the FPPI the exporter of record for purposes of meeting EAR requirements.

#### **7. Anti-Corruption.**

Customer is aware that Grainger's business practices prohibit bribery and corrupt behavior in any form. Customer agrees that it is an independent contractor and it is and shall remain in compliance with all applicable laws that relate to money laundering, terrorism, commercial or official bribery or dealing with government officials (including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act) and laws implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Customer shall not offer or provide anything of value (cash or cash equivalents, gifts, loans, travel, entertainment, or any other similar benefit) either directly or indirectly to any public sector or government official for the purpose of influencing any act or decision in connection with the purchase, transportation, customs clearance and/or resale of the products ordered from Grainger. Customer shall not pay a gratuity, bribe or inducement to any public sector or government official, even if it appears customary or consistent with prevailing business practices.

#### **8. Dispute Resolution.**

Actions by Grainger for non-payment by Customer of the purchase price of products sold by Grainger, or for redress of other breaches by Customer of these terms and conditions may be brought by Grainger, at its option, before any U.S. or foreign judicial court of competent jurisdiction. At Grainger's option, disputes between Customer and Grainger, including all claims for non-performance by Grainger, shall be finally settled by arbitration in Lake County, Illinois, U.S., in accordance with the Commercial Arbitration Rules ("Rules") of the American Arbitration Association, by a

single arbitrator appointed in accordance with said Rules, applying these terms and conditions and consistent provisions of the federal and state laws (except conflict of law rules) of the State of Illinois, U.S. The language of the arbitration shall be English.

**9. Country of Importation and Anti-diversion.**

Customer represents that it is purchasing products from the U.S. and importing them to the country for the use of the ultimate consignee specified in the Customer and Grainger documentation. Customer agrees that the products will not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations. Any commodities, technology and software will be exported from the U.S. in accordance with the U.S. Export Administration Regulations and other applicable laws or regulations. Diversion contrary to U.S. law is prohibited. If requested by Grainger, Customer shall provide documentation satisfactory to Grainger verifying delivery at the designated country, the identity of end users ordering products from Customer and the terms and conditions upon which such end users request products to be supplied. Customer further agrees to inform Grainger at the time of order of any United States-Mexico-Canada Free Trade Agreement or other special documentation, packaging or product marking or labeling, but Grainger shall not be responsible for providing any such documentation, packaging, marking or labeling other than such documents that are necessary under U.S. export laws and regulations for export, unless Grainger expressly agrees to do so.

**10. Permits, Export, and Import Licenses.**

If a Customer purchases an item within the U.S. and subsequently exports the item, the Customer is to be designated as the U.S. Principal Party of Interest (USPPI) and shall be responsible for obtaining licenses under the EAR, International Traffic in Arms Regulations, Toxic Substances Control Act, or other applicable laws or regulations. If the Customer is the FPPI, then the terms contained in subsection 6 of this Section III shall apply. Customer also shall be responsible for obtaining any licenses or other official authorizations that may be required by the country of importation.

**11. Governing Law; Limitations.**

The rights and obligations of the parties under these terms and conditions shall not be governed by the provisions of the 1980 United Nations Convention of Contracts for the International Sale of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods. Rather, these terms and conditions shall be governed by the laws of the State of Illinois, U.S., including its provisions of the Uniform Commercial Code, but excluding its conflict of law rules. Notwithstanding the foregoing, any legal action by Customer with respect to any transaction must be commenced within one (1) year after the cause of action has arisen.