

ACE HARDWARE CORPORATION
PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance. Buyer's purchase order ("Order") shall be deemed accepted by Seller unless Seller rejects such Order by a writing within five (5) business days after receipt thereof.

2. Modification. These Terms and Conditions may be modified by Buyer from time to time upon written notice to Seller, which notice may include posting on Buyer's vendor portal, currently located at www.acehardware-vendors.com ("Vendor Portal").

3. Termination. Notwithstanding any other provision contained herein, Buyer specifically reserves the right to revoke the Order at any time prior to acceptance. Time is of the essence with respect to this Order. If delivery of goods is not completed by the time designated or promised, Buyer may terminate, cancel or postpone this Order as to the goods not yet received and/or services not yet rendered by written or telegraphic notice or verbal notice confirmed in writing. Buyer may also terminate, cancel or postpone the Order as to undelivered shipments or unperformed services by written or telegraphic notice to the Seller in the event of fire, flood, tempest, explosion, other catastrophe, war, riot, strike, lockout or refusal of employees to work, or in the event that any legislative, executive or judicial act of the federal or state government, or any political subdivision or municipality thereof substantially affects Buyer's operations, or substantially impairs Buyer's use of the goods or services ordered hereunder, or in the event that Buyer suspends or discontinues business for any reason.

4. Inspection. Goods purchased hereunder are subject to Buyer's inspection and approval within a reasonable time after delivery. Buyer reserves the right to refuse any items shipped contrary to instructions, specifications or descriptions furnished by Buyer or in other than recognized standard containers or which shall fail to conform with any other provisions hereof or any requirements provided by law. Buyer may hold any rejected goods at Seller's risk and expense and may charge Seller with costs of transportation, shipping, unpacking, examining, repacking, reshipping or other like expenses. Payment shall not constitute an acceptance of any items ordered hereunder or impair Buyer's right to inspect or any of its remedies.

5. Price Warranty. Seller warrants that the prices for the goods are equal to the most favorable prices currently extended to any other customer for the same goods in similar quantities. In the event of any price reduction during the term of the Order, Seller agrees to reduce the prices hereof correspondingly. Seller warrants that the prices shown on the Order shall be complete, and that no additional charges of any kind shall be added without Buyer's express written consent.

6. Payment. The time for payment by Buyer for the goods shall be computed from the latest of:
(a) Seller's invoice date; (b) actual shipment date; or (c) shipment date specified in the Order. No shipping or packaging charges shall be imposed upon Buyer unless specified. If any such charges are specified as being Buyer's obligation, Seller shall pack, mark and describe the items ordered hereunder so as to obtain the lowest freight rate possible without jeopardizing the safe shipment of said items and without causing a violation of any applicable law or regulation, unless other instructions have been given by Buyer, and any penalties or increased charges resulting from failure to comply with this provision will be charged to Seller.

7. Taxes. The price includes all applicable federal taxes in effect on both the date of the Order and the date of delivery of the goods. Sales, use, gross receipts or similar direct taxes imposed by any tax authority on goods purchased for resale shall not be added to the sales price. Sales, use, gross receipts or similar direct taxes imposed by any tax authority on goods purchased for consumption shall be added to the sales price and shown separately on Seller's invoice. Seller shall duly remit all such taxes, which it is required to collect, to the proper governmental authorities when due. If Seller fails to remit such taxes and Buyer is required to do so, Seller will indemnify Buyer for the amount required to be paid by Buyer, including lawful penalties assessed in connection therewith.

8. Assignment. No rights or duties arising out of the Order shall be assigned or delegated without Buyer's prior written consent; provided, however, that Seller may upon reasonable advance notice to Buyer assign receivables arising out of the Order subject to all discounts, set-offs, credits for return on non-conforming goods and all other rights and remedies which Buyer may have against Seller arising out of the Order or any other transaction between the parties hereto.

- 9. Representations and Warranties.** Seller represents and warrants to Buyer and its successors, assigns and customers that:
- (a) The goods will pass without objection in the trade under the contract description; will be fit for the ordinary purposes for which such goods are used; and will be free of defects in workmanship and material.
 - (b) The title conveyed to Buyer with respect to the goods shall be good and merchantable and its transfer rightful; and that the goods will be delivered free of any security interest, lien, encumbrance, or charge.
 - (c) The goods, and any images, descriptions and other materials and content provided by or on behalf of Seller for the marketing, advertising and promotion of the goods (“Content”) will be free of the claim of any person for infringement or misappropriation of any patent, copyright, trademark, trade secret, license or the like.
 - (d) The goods are in compliance with all federal, state and local laws, rules and regulations including, but not limited to, those applicable to the manufacture, distribution, shipment, sale, use, performance, safety, branding, packaging, marking and labeling of the goods, and Seller has advised Buyer of any restrictions applicable to the distribution and sale of the goods.
 - (e) All information contained on the packaging and labels of the goods, or on the goods themselves, or otherwise provided by or on behalf of Seller in connection with the purchase and resale of the goods by Buyer or Buyer’s retailer customers, including without limitation all weights, measures, sizes, descriptions, claims, instructions, disclosures, chemical composition and warnings, shall be complete, accurate and compliant with all applicable federal, state and local laws, rules and regulations.
- 10. Indemnification/Insurance.** Seller agrees that the terms of Buyer’s Vendor Indemnification Agreement (“VIA”) are also incorporated herein by reference. In addition to the requirements in the VIA, Seller shall be solely responsible for, and agrees to defend, indemnify and hold harmless Buyer, Buyer’s subsidiaries and affiliates, and any of their retailer customers (“Buyer Indemnified Party”) against, any claims, damages or liabilities arising out of a breach by Seller of any of these Terms and Conditions whether suffered directly by a Buyer Indemnified Party or brought against a Buyer Indemnified Party by a third party. Seller shall maintain insurance coverage that complies with Buyer’s Minimum Acceptable Insurance Requirements form, attached hereto and incorporated herein, as may be amended from time to time, by written notice to Seller, which notice may include posting on the Vendor Portal.
- 11. Policies and Procedures.** Seller warrants that it has read, understands, and will comply with the policies, procedures, standards and requirements (“Policies”) for Buyer’s vendors, currently set forth in the Forms, Policies & Procedures section of the Vendor Portal. Buyer may revise the Policies from time to time upon written notice to Seller, which notice may include posting on the Vendor Portal.
- 12. Confidentiality/ Data Security.** Except as required by law or to the extent necessary to process the Order, Seller will treat, as confidential and will not at any time disclose to any third party any confidential, proprietary, competitively sensitive, or other non-public business information of Buyer including, without limitation, retailer lists, costs, pricing, purchases, rebates and incentives, wholesale and retail sales data, personally identifiable information relating to any person or entity and merchandising, marketing, distribution and sales strategies (“Confidential Information”). Seller will, at Buyer’s request, promptly delete, destroy or return any or all of the Confidential Information as requested by Buyer. Seller will use security measures sufficient to prevent unauthorized access to any Confidential Information or other personally identifiable information disclosed or available to Seller; and shall immediately notify Buyer of any security incidents and, at Seller’s expense, take all actions necessary to respond to such incidents, including providing notice of such incidents to the affected parties, and any actions required by applicable law. In addition, Seller will identify, screen, and prevent any disabling device, such as a virus, worm, Trojan horse, or other disabling or damaging codes, or backdoor access to hardware, software, or data (collectively, “Malicious Code”) from being installed in the Buyer’s systems or servers and will not itself intentionally or negligently install or suffer the installation of any Malicious Code on Buyer’s systems or servers, and will notify Buyer immediately upon discovery of the installation of any Malicious Code on Buyer’s systems or servers . If Seller retains the services of a manufacturer’s representative, Seller shall ensure that such representative complies with the obligations in this section with respect to any Confidential Information in the possession of such representative.
- 13. Removal of Goods.** Seller shall be responsible for all matters and costs associated with the removal of the goods sold to Buyer from the stream of commerce or for any corrective or remedial action plan with respect to the goods whether initiated by Seller, Buyer or any government entity.

14. Waiver. No claim or right of Seller or Buyer that arises out of a breach of the Order can be discharged in whole or in part by a waiver or renunciation of the claim or right, unless the waiver or renunciation is supported by consideration and is in a writing and signed by Seller or Buyer.

15. Remedies. In addition to the rights and remedies specified in these Terms and Conditions and the Policies, Buyer shall have the right to pursue any other remedy which may be available to it at law or in equity in the event of any default under these Terms and Conditions by Seller.

16. Content. Seller hereby grants to Buyer and Buyer's retailer customers a limited, royalty-free, nonexclusive right to publish, use, reproduce, distribute, transmit, display, modify, edit and create derivative works based on the Content on the Buyer's website(s) or in Buyer's apps and in connection with the marketing, promotion and sale of Seller's goods.

17. Buyer's Affiliates. These Terms and Conditions shall also apply to orders for goods placed by or sold to any subsidiary or affiliate of Buyer to the extent no written agreement exists between Seller and any such subsidiary or affiliate for the purchase of Seller's goods.

18. Miscellaneous. These Terms and Conditions shall be governed by and construed in accordance with the Uniform Commercial Code and other applicable laws in effect in the State of Illinois as of the date hereof. If any provision in these Terms and Conditions is determined to be illegal, against public policy or otherwise unenforceable, it will not invalidate or render unenforceable any other provision hereof, and each such provision shall at all times be considered separate and severable in this regard. These Terms and Conditions shall, to the extent possible, be interpreted in a manner to be consistent with any other agreement between Seller and Buyer.