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**SUPPLIER AGREEMENT (DIRECT/MRO/RAW MATERIALS)**

THIS SUPPLIER AGREEMENT (DIRECT/MRO/RAW MATERIALS) (“**Agreement**”) is entered into as of this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_(“**Effective Date**”), by and between **[SUPPLIER NAME]**, having its principal place of business at**[SUPPLIER’S ADDRESS]** (“**Supplier**”) and Snap-on Logistics Company, a subsidiary of Snap-on Incorporated, having its principal place of business at 2801 80th Street, Kenosha, Wisconsin 53143, USA (“**Snap-on**”).

# Supplier Code of Business Conduct. Guided by Snap-on’s core beliefs and values as laid out in the “Who We Are” statement, Snap-on’s commitment to integrity and social responsibility extends to its worldwide supply base. Snap-on requires all suppliers to, and Supplier agrees that it will, regardless of location, conduct business in a manner that complies with the standards set forth in Snap-on’s Supplier Code of Business Conduct, which is hereby incorporated into the terms and conditions of this Agreement. The Supplier Code of Business Conduct can be found at <https://www.snapon.com/EN/Suppliers/Supplier-Code-of-Conduct>.

# SCOPE.

# Products. This Agreement applies to all materials, objects, components, or other items purchased by Snap-on from Supplier (“Product(s)”).

# Purchase Orders. Supplier will accept Purchase Orders (“PO(s)”) from, and sell Products to, Snap-on and Snap-on Affiliates.

# Affiliates. Each PO, whether from Snap-on or any Snap-on subsidiary or affiliate, or any division or other business unit of any of the foregoing (“Snap-on Affiliate”), is subject to the terms of this Agreement as if such Snap-on Affiliate signed this Agreement. The term “Snap-on” in this Agreement shall be read to refer to the respective Snap-on Affiliate that places any PO and such Snap-on Affiliate will be solely responsible for such PO.

# MUTUAL NON-DISCLOSURE AGREEMENT. This Agreement and its terms and conditions are confidential and governed by the provisions of that certain Mutual Non-Disclosure Agreement (“MNDA”) previously entered into between the parties on [DATE] and which is incorporated into this Agreement. The MNDA will remain in effect during the term of this Agreement regardless of any expiration date stated in such MNDA. In the event the parties have not previously entered into a valid and binding Mutual Non-Disclosure Agreement governing the exchange of confidential information, or if such previously executed Mutual Non-Disclosure Agreement was invalid, unenforceable, or has otherwise expired or been terminated, then, by execution of this Agreement, the parties agree to be bound by the terms and conditions of Snap-on’s standard Mutual Non-Disclosure Agreement, a copy of which is attached hereto as Exhibit A.

WITH SNAP-ON’S PRIOR WRITTEN APPROVAL, WHICH MAY BE PROVIDED OR WITHHELD IN SNAP-ON’S SOLE AND ABSOLUTE DISCRETION, SUPPLIER MAY DISCLOSE CONFIDENTIAL INFORMATION TO ITS PROPOSED OR INTENDED SUB-SUPPLIERS (SUBCONTRACTORS) WHO HAVE A NEED TO KNOW SUCH CONFIDENTIAL INFORMATION AND WHO HAVE SIGNED LEGALLY ENFORCEABLE NONDISCLOSURE OBLIGATIONS AT LEAST AS RESTRICTIVE AS THE TERMS OF THIS AGREEMENT AND THE MNDA OR SNAP-ON’S STANDARD MUTUAL NON-DISCLOSURE AGREEMENT.

# TERM. The Initial Term of this Agreement is the period beginning on the Effective Date and ending [mm/dd/yyyy] (the “Initial Term”). The Initial Term will automatically renew for successive one (1) year terms (each, a “Renewal Term”), unless either party provides written notice of termination to the other party at least ninety (90) days prior to expiration of the Initial Term or any Renewal Term.

# PRICING AND PRODUCT COST.

* 1. **Taxes, Fees, and Duties**. Supplier is responsible for all taxes, fees and duties of any type levied or imposed by any governmental body or quasi-governmental body in the Product's country of origin.
  2. **Product Price Commitment**. All Product prices (effective as of [mm/dd/yyyy]) are governed and controlled by the prices and Product lead time set forth on **Schedule 1** (“**Product Pricing Commitment**”). Supplier guarantees and warrants the Product Pricing Commitment against increases until the Price Guarantee Date set forth on **Schedule 1** (“**Price Guarantee Date**”). Product price increases after the Price Guarantee Date are only effective if accepted, in writing, by Snap-on at least ninety (90) days prior to the effective date of the change. Notwithstanding, prices are firm as of the date a PO is issued by Snap-on.

# Favorable Pricing Guarantee. Supplier represents and warrants to Snap-on that the prices paid by Snap-on are as low as the prices at which Supplier is currently selling similar products to comparable customers in similar quantities. If Supplier makes a general price reduction during the term of this Agreement for the Products (or substantially similar products), such price reduction will apply automatically and without request or demand by Snap-on to all POs issued after the date of the general price reduction.

# Competitive Pricing. Snap-on may notify Supplier if Snap-on determines that it can purchase a substitute for one or more similar products or materials at prices that are at least five percent (5%) lower than those stated in this Agreement. Supplier will have thirty (30) calendar days from the time Snap-on notifies Supplier to determine whether to match such lower prices. If Supplier has notified Snap-on that it elects to match the prices, such lower prices will apply to POs issued on or after the date of Supplier notice. If Supplier notifies Snap-on that it does not elect to match the prices by the end of the thirty (30) calendar-day period, Snap-on may elect to eliminate such Products from this Agreement, subject to the intellectual and industrial property rights of Snap-on.

# Product Cost Reductions. Snap-on expects to work closely with Supplier to drive costs out where joint efforts lead to:

# technology/system improvements;

# production/operating cost reductions; and

# the elimination of non-value added activities from our joint supply chain.

# PAYMENT TERMS AND INVOICING.

# Terms. Unless otherwise explicitly agreed in a PO from Snap-on, payment of any accurate and undisputed invoice shall be made by Snap-on on the following terms:

**[2% ten (10), net sixty (60) days].**

# Domestic Invoicing. Invoices will be payable by Snap-on in accordance with these payment terms only after the receipt and acceptance of Products by Snap-on. Supplier shall submit invoices per PO instructions. Supplier shall not invoice Snap-on more than ninety (90) days after Supplier’s final shipment of Products under the applicable PO and Supplier hereby unconditionally waives all rights and remedies, including the right to payment, related to any invoice not delivered within such ninety (90) day period.

# International Invoicing. Invoices will be payable by Snap-on in accordance with the payment terms agreed between the parties (e.g. ex-port, delivered, etc.). Supplier shall submit invoices per PO instructions. Supplier shall not invoice Snap-on more than ninety (90) days after Supplier’s final shipment of Products under the applicable PO and Supplier hereby unconditionally waives all rights and remedies, including the right to payment, related to any invoice not delivered within such ninety (90) day period.

# DELIVERY.

# Supplier Lead Time. Supplier will diligently produce and deliver the Products in a timely manner. The Standard Lead Time, is set forth on Schedule 1, is in business days from issuance of a PO until it is received at Snap-on receiving dock. Dispatch/arrival date for every Product in every PO will be indicated in the respective PO, based on the Standard Lead Time. Time is of the essence with respect to the delivery of the Products. In the event Supplier fails to meet the Standard Lead Time commitment set forth on Schedule 1, Snap-on shall have the right, at its sole option, to terminate the applicable PO and/or any other outstanding POs, without Snap-on paying any penalty or owing any other liability to Supplier. Dispatch/arrival date can be changed after the PO is placed if the Parties have agreed to such change. Required inventory levels will be covered by an Inventory Stocking Agreement, if applicable.

# Complete on-time. Supplier will ship at 100% complete on-time (“COT”) of the requested ship date detailed on the PO. Supplier shall continuously and actively monitor its COT performance. In the event Supplier knows, expects, or reasonably anticipates that it will not achieve 100% COT, Supplier shall, at its sole cost and expense, use its best efforts to prevent or remedy any such non-performance through any means available to Supplier, at Supplier’s cost, (provided that such means do not violate this Agreement or any applicable law, rule or regulation), including, without limitation, adding additional manufacturing shifts or extending hours of operation (including nights, weekends, and holidays), prioritization of Snap-on related work or Product deliveries, and delivery of Products through expedited shipping. If, despite such best efforts, Supplier is unable to deliver the Products with 100% COT, then, with Snap-on’s prior written consent, which may be withheld or conditioned in Snap-on’s sole and absolute discretion, Supplier may substitute substantially similar products in place of the Products, provided that such substitute products are of the same or greater quality as the Product and are made available to Snap-on at the same or lower cost as the Products.

# Late Delivery. Any PO not completed by Supplier within three (3) months of the agreed delivery date shall be automatically null and void. Snap-on reserves the right to claim indemnification for any damages caused as a result of Supplier’s delivery delays. The foregoing is in addition to any other rights or recourse which Snap-on may have against the Supplier.

# FREIGHT TERMS. The freight terms applicable to the delivery of any Products will be as described on Schedule 1 or on any Snap-on PO, if such terms are not set forth on Schedule 1. Notwithstanding the foregoing, Snap-on’s Freight Policy, which is incorporated into this Agreement, will at all times apply to the transportation and delivery of Products to Snap-on. The Freight Policy can be found on the Snap-on Supplier Portal webpage (<https://www.snapon.com/en/suppliers>).

# PACKAGING. Transportation packaging will be according to the respective plant requirements and the general guidelines set forth in Exhibit B. All packages, packaging components, and packaged retail-ready products purchased by Snap-on must be in full compliance with all requirements of toxics in packaging legislation, restricting the use of four metals (mercury, cadmium, lead, or hexavalent chromium) in packaging and packaging components. Supplier is required to furnish a certificate of compliance to Snap-on upon request.

# PRODUCT QUALITY.

# Supplier Quality Manual. It is Snap-on’s goal to have zero defects in its products. To meet this quality expectation, Snap-on must be able to rely on the quality and reliability of Supplier’s Products. Supplier will at all times comply with the version of the Snap-on Supplier Quality Manual then in effect, which can be found on the Snap-on Supplier Portal webpage (<https://www.snapon.com/en/suppliers>).

# Product Defects. Products that are determined by Snap-on, in its reasonable discretion, to fail to conform to the warranties or requirements set forth in this Agreement or in the Snap-on Supplier Quality Manual are referred to as “Defective Products.” Deviations, however minor, from the agreed Product specifications are not allowed and will be considered Defective Products. All costs related to inadequate quality or Defective Products are the responsibility of the Supplier.

# Return or Rework of Defective Product.

# Supplier will accept Snap-on’s return of any Defective Products, for full credit or, if Snap-on will not be purchasing additional Products, for a full refund. Shipping fees for the return of any Defective Product shall be at Supplier’s cost. Snap-on reserves the right to accumulate Defective Product to return to Supplier for up to ninety (90) days. Supplier will provide Snap-on a return authorization as soon as practical.

# Supplier shall provide Snap-on with a credit or refund, as applicable, within fifteen (15) days following Supplier’s receipt of the Defective Product.

# Snap-on may elect to return an entire Product shipment based on discovery of any Defective Product within that shipment (or any additional shipments that would be delivered by Supplier from a production run that contained the Defective Product).

# Snap-on may request Supplier determine the cause of the Defective Product and Supplier will communicate any modifications implemented by Supplier in its production process to prevent similar defects. At Snap-on’s request, Supplier shall provide, at Supplier’s cost, a sample submission after such implementation. Snap-on reserves the right to rework or scrap any Defective Product at Supplier’s cost.

# Notwithstanding anything to the contrary herein, Snap-on may, at its option, charge Supplier for any lost production time and/or Product lost due to Supplier’s quality or quantity issues, including paperwork errors.

# PERFORMANCE METRICS Supplier must meet or exceed the minimum performance metrics as set forth by Snap-on from time to time (for example: quality, COT, cost, etc.). Supplier will inspect the quantity and quality of all Product shipments. Snap-on (or its agent) has the right to make its own inspection and reject any Products not complying with the applicable PO. Snap-on may dispatch, at its own expense, quality control personnel to work with Supplier personnel for purposes of inspection of any aspect of production by Supplier. Such persons will be granted unrestricted access to that portion of Supplier’s plant facilities, including production and storage facilities, where Products are manufactured or stored. Snap-on’s quality control personnel may take possession and control of a reasonable number of samples, and in cooperation with Supplier's engineers, have the right to review quality control with respect to the material and workmanship of Products being manufactured by Supplier or any sub-supplier.

# SUPPLIER WARRANTY IMPLEMENTATION. Supplier’s Product warranty is described in Schedule 1. In addition to the Product warranty, Supplier warrants and guarantees that the Products will be: free from manufacturing defects; manufactured in accordance with agreed specifications and samples and applicable Laws; clear of all liens and encumbrances with good and marketable title; and merchantable and fit for the purposes for which the Products are intended.

# TOOLING. Tooling payments made by Snap-on will be covered by a Tooling and/or Bailment Agreement, if applicable. Tooling paid for by Snap-on is solely owned by Snap-on and will be clearly marked as Snap-on property. All tooling drawings and spare die parts are also the property of Snap-on. All tooling, tooling drawings and spare die parts: (i) supplied by Snap-on, (ii) developed by Supplier or a Sub-supplier for Snap-on or in order to provide Products to Snap-on hereunder (except to the extent such tooling is only replacing existing tooling used by Supplier or Sub-supplier to produce products prior to the date of this Agreement), or (iii) paid for by Snap-on either directly or indirectly (collectively “Snap-on Tooling Items”), shall only be used for the manufacture of the Products.

# Supplier shall be solely responsible for any and all maintenance (whether routine or unplanned), repair and/or replacement, servicing, adjustments or other work required to keep the Snap-on Tooling Items in good working order and condition for the duration of such item’s useful life. Snap-on’s sole obligation with respect to the Snap-on Tooling Items shall be to replace such items after the item has met or exceeded its useful life.

# Supplier and its Sub-Supplier(s) may not make profit off any Snap-on Tooling Items through either the sale of Snap-on Tooling Items or use of the Snap-on Tooling Items to manufacture parts for other customers. Upon notice, all of the Snap-on Tooling Items, including those items in the control of Supplier/Sub-Supplier(s), will be made available for inspection or shipment to another location at Snap-on’s direction within 5 business days.

# In the event Supplier/Sub-Supplier(s) use Snap-on Tooling Items to supply Product, Supplier will insure the Snap-on Tooling Items and will at all times maintain property insurance against loss, theft and damages in an amount equal to or greater than the full replacement value of the Snap-on Tooling Items and ensure the Snap-on Tooling Items are properly controlled in accordance with this section. This Agreement provides Snap-on the right to enter Supplier/Sub-Supplier’s premises and audit the use of Snap-on Tooling and provides Snap-on a right to remove Snap-on Tooling or require their return immediately upon fulfillment of applicable orders, termination of this Agreement, termination of the supplier/subcontract, or a determination by Snap-on that the supplier/Sub-Supplier is using Snap-on Tooling Items in a manner contrary to this section. Upon termination or discontinuance of tooling obligations, Supplier and Snap-on shall complete a Tooling Discontinuance and Destruction Agreement.

# EXCLUSIVITY. In the event of any customization of the Products (meaning the Products offered or sold to Snap-on differ in any respect (whether or not material) from other products made available by Supplier to the public generally), the Product’s customized design and specifications will be exclusive to Snap-on, regardless of whether such designs and specifications were the individual idea, design, or work product of Snap-on or jointly developed with Supplier or any sub-supplier.  Supplier and any sub-suppliers shall sell the exclusive Products to Snap-on directly, or through the Supplier to Snap-on, and no one else. Supplier may not be the only supplier to sell products with functionality similar to the Products to Snap-on. Snap-on may also design, manufacture, market and sell products with functionality similar to the Products or otherwise procure similar products.

# TERMINATION AND POST TERMINATION OBLIGATIONS.

# Termination for Cause. Either party has the right to immediately terminate this Agreement if:

# the other party breaches this Agreement and does not completely remedy a curable breach within thirty (30) days after receiving notification from the other party;

# upon written notice to the other party that such party committed an incurable breach;

# the other party becomes insolvent or bankrupt, files for reorganization or a receiver or trustee is appointed; or

# the other party merges, is acquired or effects a substantial change in asset, ownership or management.

# Termination for Convenience. In any event, both parties have the right to terminate this Agreement for convenience, without cause, upon ninety (90) days prior written notice; provided, however, that in the event of termination by Supplier without cause, Supplier shall continue to make the Products available to Snap-on upon the same terms as set forth in this Agreement until Snap-on has successfully sourced products substantially similar to the Products from an alternative supplier.

# Post-termination Obligations. Upon termination by either party, Supplier will promptly deliver all completed Products to Snap-on that were ordered by an accepted PO and immediately return to Snap-on any and all confidential or proprietary materials of Snap-on in Supplier’s (or any sub-supplier’s) possession or control. Snap-on has the right, with appropriate documentation, to set-off any payments otherwise due Supplier against any sum validly owing to Snap-on or against any claims by a third party against the Supplier.

# Upon the expiration or earlier termination of this Agreement by either party, within sixty (60) days after the effective date of such expiration or termination, Snap-on may in its sole discretion, submit a single PO for one or more Products. For the avoidance of doubt, while Snap-on will submit a PO within the time frame set forth above, if agreed by Snap-on and Supplier the ordered Products may be shipped over a longer period of time (including in staggered shipments) up to a maximum of six (6) months from the effective date of expiration or termination of this Agreement.

# PRODUCT DISCONTINUANCE RIGHTS. Snap-on has the right, for any reason, upon ninety (90) days prior written notice, to discontinue purchases of Products, or any Product, from Supplier by canceling any PO in whole or in part, or by termination of this Agreement. If Snap-on decides to exercise its right to discontinue purchases of a Product or terminate this Agreement, Supplier will be required, subject to the other provisions of this Agreement, to minimize the exposure and mitigate all potential damages that Supplier may or could sustain from such discontinuance or termination. Snap-on, at its option, may repurchase at cost from Supplier all name plates, Operating Instructions and Parts Manuals (OIPM), cartons, dies, and other similar materials or may require Supplier to destroy any such materials not repurchased by Snap-on, following which Supplier shall certify to Snap-on in writing that the Supplier has destroyed any and all such materials.

1. **PO CANCELLATION.** Snap-on reserves the right to cancel any PO in whole or in part any time. Supplier will cease related work immediately upon notice of cancellation from Snap-on for any undelivered Products. Supplier shall use its best efforts to minimize work in progress (WIP) and component inventory. In the event of cancellation, Snap-on will pay for all delivered Products at the purchase price against such PO. Unless the applicable PO was cancelled as a result of Supplier’s failure to meet the requirements of Section 7, Snap-on may reimburse Supplier for WIP and component inventory, based on actual costs incurred by Supplier, subject to a review by Snap-on for validity of any amounts claimed and Supplier’s obligation of mitigation. In no event will Snap-on reimburse for WIP or component inventory that is not supported by the amount that would be required to deliver Products pursuant to the cancelled PO or for any WIP or component inventory that is related in any way to a PO cancelled by Snap-on in accordance with Section 7.

# SUPPLIER’S ADDITIONAL OBLIGATIONS. Supplier will provide Snap-on replacement parts as needed for all Products. Supplier will continue to support Snap-on replacement parts requirements for all Products discontinued by Snap-on or Supplier for a period of seven (7) years, unless otherwise negotiated between both parties. The following are the Supplier’s continuing obligations when either Supplier or Snap-on discontinues or terminates selling some or all Products purchased by Snap-on under this Agreement (as applicable):

# Rebates. Applicable Rebates will be paid to Snap-on through the final shipment of discontinued Products;

# Recalls. Supplier must notify Snap-on immediately regarding any potential or actual stop sales, Product recall or corrective action on any Product sold to Snap-on for a period of five (5) years from date of last shipment. Supplier is directed to review the Warranty section of this Agreement for additional information regarding stop sales and recalls; and

# Monitoring Regulatory Changes. Supplier will immediately notify Snap-on of any regulatory issues, rulings and changes affecting discontinued Products for seven (7) years after Supplier’s last shipment to Snap-on.

d. **Return of Obsolete Stock**. Supplier shall accept any Products returned by Snap-on as overstocked or obsolete and give Snap-on a full credit for such returned Products, without deduction or application of any restocking, return or other Supplier fees, provided that such Products are in saleable condition and not stamped with Snap-on’s name or trademark.

# ELECTRONIC TRANSACTIONS. Snap-on and Supplier will electronically transmit and receive to/from each other, via standard agreed formats, business documents in place of conventional paper-based documents, either directly or through a designated third-party system, included, for example: (i) Purchase Order(s); (ii) Order Acknowledgements; (iii) Advance Ship Notices (ASN); and (iv) Invoices. The parties acknowledge that such transactions are legally valid, binding and enforceable as a result of the use of available electronic technologies, which is for the mutual benefit of the parties.

# INTELLECTUAL PROPERTY RIGHTS. Any creation or development of any products, technology, software, advertising or marketing concepts or ideas, or other original works of authorship or invention relating to Snap-on’s products, processes or business, whether created before or after the date of this Agreement, (collectively the “Works”) will be owned exclusively by Snap-on; provided, however, Supplier is not transferring ownership of formulas, processes, algorithms, ideas, inventions, know-how, techniques or patents, copyrights, trademarks, trade secrets or other proprietary rights (not relating to Snap-on’s products, processes or business) owned by Supplier prior to the date of this Agreement (collectively “Supplier’s Preexisting Knowledge”). Without limiting the foregoing, the parties acknowledge that new Products sourced by Supplier could be based on product designs or specifications of either party or a sub-supplier. The Product design and specifications, and all intellectual property related to these new Products, shall be owned by Snap-on unless the new Product results from Supplier or sub-supplier’s sole effort or intellectual property. Additionally, any modifications made to existing Products shall be owned by Snap-on. Supplier shall not file and shall ensure that its sub-suppliers will not apply for any patents, trademark, copyrights, or other similar filing or registration applicable to the Products, Works or otherwise resulting from Confidential Information provided by Snap-on. Any such patents, trademark, copyrights, or other similar registrations and applicable rights will be assigned to Snap-on globally and inure to its benefit. Supplier grants to Snap-on a global perpetual, unrestricted, royalty-free, worldwide non‑exclusive, paid-up license to the Supplier’s Preexisting Knowledge to the extent Supplier’s Preexisting Knowledge is included in or related to, in whole or in part, the Works. Any Snap-on part or product that is, relates to or incorporates the Works may be used by Supplier for the sole purpose of preforming under this Agreement.

1. **SUPPLIER MARKS; EXPORT RIGHTS**.Snap-on has a non-exclusive, perpetual, irrevocable, worldwide, royalty-free right to use Supplier trademarks, logos, service marks, trade names, copyrighted material, and domain names ("Supplier Marks") in connection with Snap-on promotional, sales or marketing materials, documentation or information, including but not limited to Snap-on catalogs and Snap-on web sites and other electronic and paper media. This right includes, but is not limited to, the right to use, copy, publish, transfer, distribute, and prepare derivative works or translations containing Supplier Marks in any form and media now or hereafter known, and to use Supplier Marks with any promotional, sales or marketing materials, documentation or information. Supplier grants Snap-on non-exclusive worldwide right to advertise, sell, and export all of Supplier’s Products. The foregoing rights may be exercised by Snap-on, its business units, subsidiaries and affiliates, and commences on the Effective Date.

# BRANDING REQUIREMENTS. Supplier will not use any trademarks, logos, service marks, trade names, copyrighted material, and domain names owned by Snap-on, its parent company or its affiliates (collectively, “Snap-on Marks”) without Snap-on’s prior written approval or direction, which may be withheld or withdrawn at any time in the sole and absolute discretion of Snap-on. If use of the Snap-on Mark is approved or directed, Supplier will comply with the directions given by Snap-on, including, without limitation, the Snap-on brandmark guidelines, as may be amended by Snap-on from time to time. The most current brandmark guidelines will be provided to Supplier upon written request and Supplier will make written request before using any Snap-on Marks. Supplier shall obtain Snap-on’s written approval before changing the design, materials or specifications of the Products branded with Snap-on Marks.

# Supplier will not sell, distribute or transfer Products with Snap-on Marks to any other person or entity other than Snap-on. Snap-on reserves all rights and ownership in and to the Snap-on Marks. Supplier shall not authorize the use of the Snap-on Marks by any third-parties.

# Supplier shall not use Sub-Suppliers to make parts with Snap-on Marks or Products or components of Products that are privately labeled or otherwise exclusively provided to Snap-on without first obtaining Snap-on’s written approval. Supplier shall ensure that any approved Sub-Suppliers comply with this section and the Supplier’s subcontract shall, at a minimum, restrict Sub-Supplier from: (1) selling, distributing or transferring such Products or Product components (or substantially similar Products and Product components) to persons or entities other than Supplier or Snap-on and (2) using any packaging and labeling, Product design or similar designs, or business methods, technical data and other information and materials related to such Products or Product components for any purpose other than the supply of Product to Snap-on.

# INDEMNIFICATION.

* 1. **General Indemnification Obligation.** Supplier will indemnify, defend and hold harmless Snap-on (“Snap-on” in this section refers to Snap-on Incorporated and its subsidiaries) and the Distribution Associates (as defined herein) from any and all Claims (as defined herein) (i) resulting from injury or death to any person or damage to any property arising directly or indirectly from or in connection with any of the Products; (ii) asserted in any governmental proceeding or action with respect to the Supplier’s Products, including any proceedings applicable to any government contracts; (iii) on account of any actual or alleged infringement or other violation of patent, trademark, trade names, trade secrets, copyright or other proprietary rights arising out of the manufacture, use or sale of Supplier’s Products; (iv) resulting from Supplier’s breach of this Agreement or any inaccuracy of any representation or warranty made by Supplier in this Agreement; or (v) arising directly or indirectly from any act of the Supplier’s sub-Suppliers.

This indemnity and defense applies to all Claims and damages, regardless of nature and designation, whether based on breach of contract, breach of warranty, strict liability, product liability, negligence, the Supplier or Supplier’s sub-supplier’s misappropriation or misuse of any intellectual property rights of Snap-on or any violation by Supplier or Supplier’s Sub-Supplier’s obligations under the Agreement, including but not limited to the Tooling, Intellectual Property Rights, Indemnification, or Insurance sections of the Agreement, or any other tort or theory of liability. It includes indemnity for (a) all damages of any kind, including punitive or exemplary damages, and (b) any costs and expenses, including attorney’s fees, incurred by Snap-on or a Distribution Associate while assisting in or presenting any defense or investigating or remediating any conditions. This defense and indemnity includes Claims that Snap-on or the Distribution Associate was negligent or at fault for any reason, including Snap-on’s or the Distribution Associate’s own conduct. It also includes but is not limited to any Claim that Snap-on or the Distribution Associate was at fault for not inspecting or testing the Products or not analyzing the design of the Products or for negligently inspecting, testing or analyzing the design of the Products or for selling the Products based upon knowledge it had or should have had, or for entering into this Agreement.

This indemnity and defense is in addition to the warranty and remedy obligations of Supplier. This section shall survive the expiration or other termination of this Agreement. “Claim” or “Claims” includes any claims, demands, lawsuits, causes of actions, regulatory or administrative proceedings, arbitrations, judgments, damages, costs (including reasonable attorneys’ fees), expenses, fines, penalties, liabilities, notice of property damage or personal injury, and any other losses of any kind or nature. Snap-on or the Distribution Associate may, at its sole discretion and at Snap-on’s or the Distribution Associate’s own expense (as applicable), be represented by and actively participate through its own counsel in any such proceedings. “Distribution Associates” means Snap-on, agents, divisions, subsidiaries and affiliates, employees, insurers, successors and assigns, dealers and franchisees of Snap-on or any Snap-on Affiliate.

1. **Infringement Indemnification Obligation**. For Claims based on claimed infringement or other violation of patent, trademark, trade names, copyright or other proprietary rights, in addition to its obligation in the foregoing subsection of this section, Supplier will, at its expense, promptly obtain an opinion from competent legal counsel that the Supplier’s Products can continue to be sold and used, or at Snap-on’s option, either (i) procure for Snap-on and the applicable Distribution Associate(s) the right to continue to sell and use the Products; (ii) replace the Products with non-infringing products that are functionally equivalent in all material respects; or (iii) refund the purchase price for the Products.
2. **Failure to Indemnify**. If Supplier refuses or fails to indemnify and defend Snap-on or any Distribution Associate as required under this Agreement, Snap-on may defend itself or the Distribution Associate and make decisions regarding strategy, including settlement, that it deems appropriate without limiting its right to pursue a claim against Supplier for indemnification. Supplier will be responsible for all costs, expenses and liabilities incurred by Snap-on in such event.

# INSURANCE. Supplier will maintain the insurance required by Exhibit C for the Initial Term and any Renewal Term of this Agreement. Upon execution of the Agreement, Supplier shall provide a certificate of insurance, which shall be in a form acceptable to Snap-on, and attached to the Agreement as Exhibit C. Snap-on’s acceptance and/or approval of the certificate of insurance shall not be construed to relieve Supplier of any obligations, responsibilities or liabilities under the Agreement. Supplier will furnish Snap-on with certificates of insurance at least annually and otherwise promptly upon request. Supplier’s liability is not limited by the limits of such insurance policies. All policies of insurance procured or maintained hereunder (a) will provide that coverage there under will not be terminated, cancelled or non-renewed without at least thirty (30) days’ written notice to Snap-on, and (b) will be primary and non-contributory to any insurance carried by Snap-on or any Distribution Associate, and (c) will remain in effect for 3 years after termination of this Agreement.

# PRODUCT AND REGULATORY COMPLIANCE. Supplier shall comply with the Product and Regulatory Compliance terms and conditions set forth in Exhibit D as they are applicable to Supplier’s performance under this Agreement. Exhibit D may be amended and provided to Supplier as changes in applicable laws require. Supplier shall comply with any required changes.

1. **SUPPLIER AUDIT AND FACILITY ACCESS***.* Supplier will allow Snap-on access to Supplier’s facilities upon reasonable notice. Upon Snap-on’s reasonable request, Supplier will provide Snap-on with certain financial statements and documentation.
2. **PRODUCT INFORMATION**.
   1. **Supply of Product Information**. Supplier will provide to Snap-on complete and accurate information and data for the Products (“**Product Information**”). Product Information will include, but not be limited to, Product information, competitor cross-reference data, Product information updates, maintenance and certification requirements, manuals, applications and safety information. If requested, supplier will annually review and certify the accuracy of all Product Information and data provided to Snap-on.
   2. **Rights to Product Information**. Supplier grants to Snap-on a non-exclusive, perpetual, irrevocable, worldwide, royalty-free right to use the Product Information, if any, provided by Supplier in connection with Snap-on’s business. This right includes, but is not limited to, the right to copy, publish, sell, transfer, distribute, sublicense, and prepare derivative works (including translations) of such Product Information by any method, form, or media now or hereafter known. Such rights may be exercised by Snap-on, its business units, subsidiaries and affiliates, and commences on the Effective Date.
3. **SNAP-ON FACILITIES**. Supplier may visit a Snap-on facility in the course of meeting its obligations under this Agreement. Supplier hereby assumes responsibility and liability for any and all acts or omissions of its agents, representatives and employees while at Snap-on facilities. Supplier’s agents, representatives and employees will follow all Snap-on safety instructions and use reasonable care while at a Snap-on facility. Supplier releases Snap-on from any and all liability and waives all claims against Snap-on, whether for property damage, personal injury or death or otherwise, arising out of or in any way related to any visit to a Snap-on facility except to the extent caused by Snap-on’s gross negligence or willful misconduct.
4. **DISPUTE RESOLUTION**. In the event of a dispute in the interpretation, construction or performance of this Agreement or any breach thereof, the parties agree to mediate the dispute before filling a lawsuit, or a demand for arbitration, if applicable. The mediation will be held in Milwaukee, Wisconsin and conducted by one mediator. Each party will bear all of its own costs of mediation except that the fees of the mediator will be divided equally between parties. Each party has the right without waiting for mediation, to seek from an appropriate court provisional remedies including, but not limited to, temporary restraining orders or preliminary injunctions before, during or after mediation.
5. **ARBITRATION FOR NON-USA COMPANIES**

If Supplier is a permanent resident of a country other than the U.S.A. (or one of its territories), or is a corporation, partnership or entity existing under the laws of any country other than the U.S.A. (or one of its territories), the parties will attempt to amicably resolve any controversy, dispute or difference arising out of any dealings under this Agreement. If those efforts are unsuccessful, then the parties agree any controversy, dispute or difference will be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the “ICC Rules”) by one or more arbitrators appointed in accordance with such ICC Rules. The place for arbitration will be Milwaukee, Wisconsin, U.S.A. and proceedings will be conducted in the English language. The award will be final and binding on both Snap-on and Company, and the parties hereby waive the right of appeal to any court for amendment or modification of the arbitrator’s award. Any claim will be made by filing a demand for arbitration within two (2) years following the aggrieved party’s first knowledge of the occurrence first giving rise to the claim. Each party will bear all of its own costs of arbitration, except that the fees of the arbitrator will be divided equally between the parties. The arbitrator has no authority to amend or modify the terms of this Agreement or to award punitive or exemplary damages, and the award may be enforced by judgment.

1. **LIMITATION OF LIABILITY**. TO THE FULLEST EXTENT PERMITTED BY LAW,Snap-on WILL not be liable for any SPECIAL, indirect, INCIDENTAL, consequential, exemplary, or punitive damages, including lost profits, LOSS OF REVENUES, LOSS OF GOOD WILL, arising out of this Agreement, whether in tort, contract, strict liability, or under any other legal theory at law or in equity, EVEN IF SNAP-ON WAS AWARE OF THE CIRCUMSTANCES IN WHICH SUCH DAMAGES COULD ARISE.
2. **WAIVER OF JURY**. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.
3. **MISCELLANEOUS PROVISIONS.**
   1. **Governing Law.** This Agreement is to be construed and interpreted in accordance with, and the rights and obligations of the parties hereto are governed by the provisions of the Uniform Commercial Code and the laws of the State of Wisconsin, U.S.A. and not the United Nations Convention on Contracts for the International Sale of Goods. This Agreement is to be executed in the English language, which is the original and controls in the event of any difference between the English text of this Agreement and any translation hereof. In the event arbitration is not applicable or found by an arbitrator to be unenforceable, the parties submit to the exclusive jurisdiction of the state and federal district courts of Wisconsin, Eastern District, venued in Milwaukee County, Wisconsin, or the Circuit court of Milwaukee County, if there is no federal jurisdiction. The parties expressly consent to the jurisdiction and the venue of such courts. The parties waive their right to any claim of inconvenient forum.
   2. **Assignment**. No party will assign, subcontract or delegate any rights or obligations contained in this Agreement without the other party's prior written consent, which consent will not be unreasonably withheld. In the event of Supplier’s change of name, ownership or management, or sale, merger or acquisition or other disposition in whole or in part, including the sale of stock or substantially all of its assets or filing by, or against, Supplier of any bankruptcy proceeding, Supplier will promptly notify Snap-on in writing of such changes, actions and proceedings.
   3. **Notices**. Any formal notice provided in connection with this Agreement will be given in writing by certified mail, prepaid, return receipt requested, directed to the receiving party at the address on the first page of this Agreement. Either party may change its address or representative by giving written notice to the other party.

* 1. **Modification**. No modification of this Agreement is binding upon either party unless it is in writing, and is signed by an authorized representative of each party.
  2. **Relationship of Parties**. The Supplier and Snap-on are independent contractors, and are not partners, joint ventures, employees or agents. Neither party has the authority to act, make representations, or make commitments on behalf of the other party.
  3. **Force Majeure.** Neither Snap-on nor Supplier will be liable for any delay in or impairment of performance resulting in whole or in part from acts of God, acts of war, acts of terrorism (whether actual or threatened), governmental decrees or controls, insurrections, epidemics, quarantines, shortages, communication or power failures, fire, accident, explosion, severe weather conditions, catastrophic events or any other similar circumstances or cause beyond the control of such party (or those third parties under such party’s control) in the conduct of its business. After written notice to Snap-on, Supplier will also be excused from performance of its obligations hereunder (except for its payment obligations) if Supplier is unable to procure Product or obtain permits and licenses, supplies or raw materials.
  4. **Entire Agreement**. This Agreement may be executed in numerous counterparts, all of which shall be considered one and the same agreement. For purposes of this Agreement, facsimile or electronic signatures shall be considered original signatures. This Agreement, together with the Appendices and the Reference Documents listed below, which are incorporated herein by reference, contains the entire understanding between Snap-on and the Supplier, and supersede and terminate all previous agreements and understandings, verbal or otherwise, at any time existing between Snap-on, any of its subsidiaries, divisions or affiliates, and the Supplier concerning the subject matter hereof. All other terms and conditions, supplemental terms or conflicting terms, whether contained on Supplier’s quote, purchase order or elsewhere, will have no effect whatsoever and only these terms and conditions will apply. Supplier may provide Snap-on with a written request for copies of the current version of the Reference Documents at any time.

* 1. **Severability; Headings**. If any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of law or any competent governmental or other authority, the remaining provisions will be severable and enforceable in accordance with their terms so long as this Agreement without such terms or provisions does not fail of its essential purpose or purposes. The parties will negotiate in good faith to replace any such illegal, invalid, or unenforceable provision or provisions with suitable substitute provisions which will maintain the economic purposes and intentions of this Agreement. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

* 1. **Survival.**  The warranties, guarantees, indemnities, confidentiality obligations and representations contained in this Agreement and other terms and conditions of this Agreement which by their nature are intended to survive the cancellation, expiration or termination of this Agreement will survive the cancellation, expiration, or termination of this Agreement.
  2. **Waiver**. Snap-on’s failure to enforce any term of this Agreement will not be interpreted to mean that Snap-on waived its right to enforce any term of this Agreement in the future and also will not be interpreted to be a waiver of the provision itself.
  3. **Publicity/Press Releases**. Neither party will make a statement to the public that names or is about the other party without the express written consent and approval of such statement by the other party.
  4. **Precedence**. Unless otherwise stated, this Agreement will control over any conflicting term in any other document or agreement entered into between the parties, regardless of whether such document or agreement is incorporated herein by reference, including without limitation, the Appendices and the Reference Documents listed below. Snap-on expressly objects to and rejects any additional or different terms or conditions proposed by Supplier. No Supplier terms or conditions shall become part of the parties’ agreement or shall otherwise modify this Agreement, nor shall any course of performance, course of dealing, or usage of trade operate as a modification or waiver of any term of this Agreement.

1. **REFERENCE DOCUMENTS**. SUPPLIER SPECIFICALLY ACKNOWLEDGES THAT IT HAS READ AND UNDERSTOOD ALL DOCUMENTS DESCRIBED BELOW AS “REFERENCE DOCUMENTS” AND AGREES TO BE BOUND BY ALL TERMS, CONDITIONS, RESTRICTIONS, AND PRINCIPLES SET FORTH THEREIN AND TO KEEP ITSELF INFORMED OF ANY UPDATES TO ANY AND ALL SUCH REFERENCE DOCUMENTS THAT ARE ANNOUNCED ON THE SNAP-ON SUPPLIER PORTAL WEBPAGE ([HTTPS://WWW.SNAPON.COM/EN/SUPPLIERS](https://www.snapon.com/EN/Suppliers)).

The undersigned representative of each party is duly authorized to enter into this Agreement on behalf of the party.

**SNAP-ON: SUPPLIER:**

|  |  |  |
| --- | --- | --- |
| **Snap-on Logistics Company** |  | **[insert legal entity name and address]** |
| 2801 80th Street, Kenosha, Wisconsin 53143, USA |  |  |
|  |  |  |
| *(Signature)* |  | *(Signature)* |
| *(Printed Name and Title)* |  | *(Printed Name and Title)* |

**Schedule:**

- Specific Supply Terms, **Schedule 1**

**Exhibits:**

- Mutual Non-Disclosure Agreement, **Exhibit A** (unless previously executed and referenced above)

**-** General Packaging Instructions, **Exhibit B**

- Insurance Requirements, **Exhibit C**

- Product and Regulatory Compliance Requirements, **Exhibit D**

**Reference Documents:** (Available at [https://www.snapon.com/en/suppliers](https://www.snapon.com/EN/Suppliers) or otherwise provided to Supplier)

-Supplier Code of Business Conduct

-Accounts Payable FAQs

-General Shipping Instructions

-Snap-on Brand Mark Guidelines

-Snap-on Quality Manual

**Additional Optional Agreements: (Required to be signed, if applicable)**

-Supplier Inventory Stocking Addendum

-Tooling Agreement

-Bailment Agreement

-Tooling Discontinuance and Destruction Agreement

**SCHEDULE 1**

SPECIFIC SUPPLY TERMS

**Product Price Commitment:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Part Number** | **Part Description** | **Estimated Annual Volume** | **Price** | **Lead time** |
|  |  |  |  |  |
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|  |  |  |  |  |

**Price Guarantee Date:** [mm/dd/yyyy]

**Product Lead Time Commitment:**

* [*type in terms*]

# Rebates:

# Terms: [*type in terms*]

# Frequency: [*type in terms (e.g. to be paid monthly / quarterly / annually*)]

# Form of Collection: [*type in terms (e.g. credit memo / check / debit*)]

# Rebate Period: [*type in terms (e.g. January through December)*]

# Comments: [*type in any additional terms not listed above*]

**Warranty Information:**

* In-warranty returns: **[*type in terms*]**
* Supplier will provide 100% reimbursement for all Products returned for Product failures, recalls and corrective actions.
* Warranty Re-imbursement
  + Terms: ***[type in terms]***
  + Frequency: ***[type in terms (e.g. to be paid monthly / quarterly / annually)]***
  + Form of Collection: ***[type in terms (e.g. credit memo / check / debit)]***
  + Warranty Period: ***[type in terms (e.g. January through December)]***
  + Comments: ***[type in any additional terms not listed above]***
* If no Warranty Re-imbursement mechanism is described above, then Supplier will provide Snap-on with a credit memo or other form of reimbursement (as directed by Snap-on) for any and all expenses and labor costs incurred by Snap-on as a result of any Defective Products within thirty (30) days of receiving a written demand from Snap-on.

Notwithstanding anything to the contrary set forth in the Agreement or this **Schedule 1**, Supplier shall warrant any Products intended for use as a component in any Snap-on product for a period of at least twenty-four (24) months from the date of Snap-on purchase of the Product.

**Freight Terms:**

* See Snap-on Freight Policy
* Incoterms® 2010: [Destination or Origin]

**EXHIBIT A**

MUTUAL NON-DISCLOSURE AGREEMENT

**THIS MUTUAL NON-DISCLOSURE AGREEMENT (“Agreement”) is entered into as of the date of last signature below by and between:**

**Snap-on Company: Company:**

|  |  |  |
| --- | --- | --- |
| **[insert legal entity name and address]** | and | **[insert legal entity name and address]** |
|  |  |  |
|  |  |  |
|  |  |  |
| (hereinafter referred to as “Snap-on”) |  | (hereinafter referred to as “Company”) |

**WHEREAS**, each party represents that it has developed and possesses certain information, including technical and business information, some of which it considers to be confidential;

**WHEREAS**, the parties desire to evaluate the possibility of entering into, are currently entering into, or previously have entered into one or more business arrangements (the “Purpose”); and

**WHEREAS** during the course of their dealings with each other in connection with such activities, the parties may periodically disclose to one another Confidential Information only in support and furtherance of the Purpose.

**NOW THEREFORE**, the parties hereto agree to the following:

1. Each party may disclose (“Disclosing Party”) only as much of its Confidential Information to the other party (“Recipient”) as is necessary to further the Purpose.
2. “Confidential Information” means any information disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects that is marked confidential, known by the Recipient to be confidential, of a nature that is generally considered to be confidential, or which the Recipient should reasonably have known to be confidential given the nature of the information and the circumstances surrounding its disclosure. Confidential Information includes, without limitation, personal data or personally identifiable information (collectively “personal information”), financial information, documents, prototypes, samples, trade secrets, know-how, services, processes, procedures, personnel, customers, marketing plans, plant and equipment, business operations, strategies, computer software and systems of the parties or any companies affiliated with the parties.
3. Confidential Information used by the Recipient will only be used for the Purpose. Recipient agrees to keep in confidence and not disclose to any third party any Confidential Information received from the Disclosing Party during the course of their dealings with each other. Confidential Information may be disclosed to those employees of Recipient who have a need to know such information in furtherance of the Purpose and who have agreed in writing to be bound by legally enforceable nondisclosure obligations to the Recipient. Confidential Information will not be reproduced in any form except as required to accomplish the Purpose.

WITH SNAP-ON’S PRIOR WRITTEN APPROVAL, WHICH MAY BE PROVIDED OR WITHHELD IN SNAP-ON’S SOLE AND ABSOLUTE DISCRETION, COMPANY MAY DISCLOSE CONFIDENTIAL INFORMATION TO ITS SUB-SUPPLIER (SUBCONTRACTOR) WHO HAVE A NEED TO KNOW SUCH CONFIDENTIAL INFORMATION AND WHO HAVE SIGNED LEGALLY ENFORCEABLE NONDISCLOSURE OBLIGATIONS AT LEAST AS RESTRICTIVE AS THE TERMS OF THIS AGREEMENT.

1. Nothing in this Agreement requires either party to disclose any Confidential Information or to receive or accept disclosure of Confidential Information from one party to the other.
2. The Recipient’s obligation to maintain the Disclosing Party’s Confidential Information in confidence does not apply to any portion of such Confidential Information that, as a whole:
   1. is approved for release by written authorization of the Disclosing Party;
   2. is or becomes public knowledge through no wrongful act of the Recipient;
   3. is already known by the Recipient free of an obligation of confidentiality, as evidenced by Recipient’s written records;
   4. is lawfully obtained by the Recipient from a third party without an obligation of confidentiality;
   5. is independently developed by the Recipient without the use or benefit of the Disclosing Party’s Confidential Information; or
   6. is disclosed pursuant to any applicable law, regulation or lawful order or process, provided the Recipient promptly notifies the Disclosing Party of the disclosure requirement where not legally prohibited, to permit the Disclosing Party to oppose or limit such disclosure, and furnishes only such limited portion of the Confidential Information as is necessary to comply with the legal requirement and makes reasonable efforts to obtain an order or other assurance that the Confidential Information will receive confidential treatment.
3. The Recipient agrees that it will process personal information only for the Purpose and in accordance with the instructions of the Discloser. The Recipient will take appropriate security measures to protect the personal information. Recipient will not collect, use, retain, disclose, sell, or otherwise make personal information available for Recipient’s own commercial purposes or in a way that does not comply with the California Consumer Privacy Act of 2018, as amended, and any related regulations or guidance provided by the California Attorney General (“CCPA”). Recipient certifies that it understands this Agreement's and the CCPA's restrictions and prohibitions on selling personal information and retaining, using, or disclosing personal information outside of the parties' direct business relationship, and it will comply with them.
4. All Confidential Information is provided “AS IS,” without warranty or guarantee of any kind as to its accuracy, completeness, operability, fitness for particular purpose, or any other warranty, express or implied. Neither party will be liable to the other for any damages, loss, expense or claim of loss arising from the Recipient’s use of or reliance on the Confidential Information of the Disclosing Party.
5. The terms of confidentiality under this Agreement will not be construed to limit either party’s right to independently develop or acquire products without the use of the other party’s Confidential Information or other violation of this Agreement.
6. This Agreement and the fact that the parties are cooperating and that discussions are taking place or a contract has been entered into are deemed Confidential Information.
7. Each party’s obligation hereunder (as a Recipient) to maintain in confidence any specific item of Confidential Information received from the other party will terminate five (5) years after disclosure of the specific item of Confidential Information, except for trade secret information, which will not be disclosed for so long as the disclosing party maintains it as a trade secret.
8. Nothing contained in this Agreement will be construed as preventing or prohibiting either party from disclosing its own Confidential Information to third parties.
9. Upon the request of the Disclosing Party, the Recipient will promptly return or destroy the Confidential Information it received, in whatever form, without retaining any copies or excerpts thereof, provided, however, that the Recipient’s counsel may retain one copy of the returned or destroyed items for archival purposes.
10. If Company is a permanent resident of the U.S., or a corporation, partnership or entity existing under the laws of the U.S., Snap-on and Company will attempt amicably to resolve any controversy, dispute or difference arising out of any dealings under this Agreement, failing which either party may initiate litigation. Litigation may be brought only in the U.S. District Court for the Eastern District of Wisconsin, Milwaukee Division or, if such court lacks subject matter jurisdiction, in a Wisconsin state court in Kenosha County. The parties submit to the jurisdiction of said courts and waive any defense *of forum non conveniens*. The parties waive all rights to jury trials.
11. If Company is a permanent resident of a country other than the U.S., or is a corporation, partnership or entity existing under the laws of any country other than the U.S., the parties will attempt to amicably resolve any controversy, dispute or difference arising out of any dealings under this Agreement. If those efforts are unsuccessful, then the parties agree any controversy, dispute or difference will be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the “ICC Rules”) by one or more arbitrators appointed in accordance with such ICC Rules. The place for arbitration will be Milwaukee, Wisconsin, U.S. and proceedings will be conducted in the English language. The award will be final and binding on both Snap-on and Company, and the parties hereby waive the right of appeal to any court for amendment or modification of the arbitrator’s award. Any claim will be made by filing a demand for arbitration within two (2) years following the aggrieved party’s first knowledge of the occurrence first giving rise to the claim. Each party will bear all of its own costs of arbitration, except that the fees of the arbitrator will be divided equally between the parties. The arbitrator will have no authority to amend or modify the terms of this Agreement or to award punitive or exemplary damages, and the award may be enforced by judgment.
12. Each party has the right to seek from the U.S. District Court for the Eastern District of Wisconsin, Milwaukee Division or, if such court lacks subject matter jurisdiction, in a Wisconsin state court in Kenosha County, provisional remedies including, but not limited to, temporary restraining orders or preliminary injunctions at any time, whether before, during, or after arbitration. The parties submit to the jurisdiction of said courts and waive any defense *of forum non conveniens*. Seeking any such provisional remedies will not be deemed to be a waiver of either party’s right to compel arbitration.
13. Confidential Information may be used only as provided herein. Each party will retain ownership of all rights, including all intellectual property rights, in its Confidential Information. No other right, immunity or license to the Confidential Information, either express or implied, is granted by either party to the other pursuant to this Agreement under any patent, patent application, copyright, trademark or other intellectual property right, now or hereafter owned or controlled by either party.
14. Any formal notice provided in connection with this Agreement will be given in writing by certified mail, prepaid, return receipt requested, directed to the parties at the addresses on the first page of this Agreement.
15. This Agreement will be governed by the laws of the State of Wisconsin without giving effect to its conflicts of laws provisions.
16. “Snap-on Company” means any member of the group consisting of Snap-on Incorporated and all of its direct and indirect subsidiaries and affiliated companies. The Snap-on Company party to this Agreement is entering this Agreement on behalf of itself, and to the extent applicable and appropriate, any other Snap-on Company which delivers Confidential Information.
17. The parties agree not to furnish to one another any trade secret, proprietary know-how or confidential information acquired from third parties. Further, each party represents and warrants that it is free to divulge, without any obligation to or violation of the rights of any third party, any and all information which it will demonstrate, divulge or in any other manner make known to the other pursuant to this Agreement. Each party will exonerate, indemnify and hold harmless the other from and against any and all liability, loss, cost, expense, damage, claims or demands for actual violation of the rights of any third party in any trade secret, proprietary know-how or other confidential information by reason of the other’s use or receipt of Confidential Information disclosed hereunder.
18. This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof. This Agreement supersedes all prior agreements and understanding between the parties regarding the exchange or use of Confidential Information. A waiver of any right hereunder does not imply a waiver of any other rights and no waiver alternation modification or amendment shall be effective unless made in writing and signed by authorized representatives of the parties.
19. This Agreement may be executed in multiple counterparts, each of which when taken together shall constitute one single Agreement between the parties. Any signature made by electronic or facsimile means, and any electronic or facsimile copy of either party's signature, shall be deemed and be enforceable as an original thereof.

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| --- | --- | --- | --- | --- |
| **SNAP-ON:** | |  | **COMPANY:** | |
|  | |  |  | |
| By: |  |  | By: |  |
| Printed Name: |  |  | Printed Name: |  |
| Title: |  |  | Title: |  |
| Snap-on Company: |  |  |  |  |
| Date: |  |  | Date: |  |

**EXHIBIT B**

GENERAL PACKAGING INSTRUCTIONS

While Supplier may be directed to follow more specific packaging specifications as provided by Snap-on, all packages shipped to Snap-on must comply with the following general instructions:

1. Identify the packaging configuration (size, weight, quantity, materials, palletization, etc.) at the onset and submit to Snap-on for review.
2. Unit packaging for non-bulk items shall be designed/constructed to contain the item without damage during normal transit. The package shall also facilitate safe handling. Reference Snap-on Packaging Standard CS19.0.6 for further guidelines.
3. Unless otherwise specified, the unit package quantity shall be one each part, set, or assembly. Single items weighing over 5 lbs. are to be individually packaged. For small, lightweight items (fasteners, hardware, etc.) the unit pack quantities will follow trade standards but not more than 50 lbs. per pack.
4. Use of intermediate packaging or bundling is encouraged when such use enhances handling and storage.
5. Unit or intermediate packaging not suitable for shipping should be over packed in durable shipping containers. Reference Snap-on Packaging Standard CS19.0.5 for further guidelines.
6. Clearly mark all unit packaging, intermediate packaging, shipping containers, and/or pallet loads with the Snap-on part number and quantity. Reference Snap-on Packaging Standard CS19.0.2 for further guidelines.
7. Clearly mark packaging with proper handling symbols as described in Snap-on Packaging Standard CS19.0.1.
8. Pallets must be solid wood, preferable 48”x40” four-way entry pallet size. Pallets must be in good condition without broken or missing boards. Reference Snap-on Packaging Standard CS19.0.3 & CS19.0.4 for further guidelines.
9. The Product shall not overhang the pallet edges. Products must be secured to the pallet per Snap-on Packaging Standard CS19.0.3. Metal banding is not allowed.
10. Pallet load heights should not exceed 53”. The top surface of the pallet load shall be even/flat and capable of supporting an equivalent load. Random, staggered, uneven, or pyramid stacking is not allowed.

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| Failure to follow the above instructions could result in the product being returned, freight collect, to Supplier. | | | | |
|

**EXHIBIT C**

INSURANCE REQUIREMENTS

1. General Liability including Products/Completed Operations including bodily injury/accidental death, and property damage including contractual liability
   * $1,000,000 Per Occurrence/$2,000,000 Aggregate
   * $2,000,000 Products -Completed Operations Aggregate
   * $1,000,000 Personal and Advertising Injury

1. Auto Liability *(Auto Liability is required if Supplier or Supplier’s employees/agents are coming onto Snap-on premises)*
   * $1,000,000 Combined Single Limit
2. Worker’s Compensation & Employer’s Liability (*Work Comp/ EL is required if Supplier is coming onto Snap-on premises or performing outside contract services*)
   * Coverage A:  Statutory
   * Coverage B:  $500,000 Each Accident/$500,000 Disease Each Employee/$500,000 Disease Policy Limit
3. Umbrella

* $5,000,000 Each Occurrence/Aggregate (*Necessary for motorized or other special* P*roducts*)

In addition, the following is required to be included:

* A Waiver of Subrogation applies to all coverages
* Primary and Noncontributory Wording as follows:

**“All coverage shall be Primary and Noncontributory to any other insurance available to Snap-on Incorporated, on behalf of itself and its subsidiaries.**

* Additional Insured for GL, Auto and Umbrella with the wording as follows:

**“Snap-on Incorporated, On Behalf of Itself, Its Subsidiaries, and**

**Their Distribution Associates are named as additional insureds.”**

**-or-**

A vendor’s endorsement must be attached to the certificate and must show the following:

**“Snap-on Incorporated, On Behalf of Itself, Its Subsidiaries, and**

**Their Distribution Associates are named as additional insureds.”**

* All insurance carriers must be AM Best’s rated of A- VII of higher
* Certificate to show 30 days cancellation/non-renewal notice

**PLEASE FORWARD NEW CERTIFICATE TO:**

**Snap-on Incorporated**

**Attn:** [Subsidiary or Business Unit]

[Subsidiary or Business Unit Address]



**EXHIBIT D**

PRODUCT AND REGULATORY COMPLIANCE REQUIREMENTS

**1. COMPLIANCE**

# Anti-Corruption and Anti-Human Trafficking Compliance.

# Supplier will comply at all times with applicable laws, rules, regulations, orders, judicial decision, decrees, conventions and international financial institution rules regarding corruption, bribery, ethical business conduct, money laundering, political contributions, gifts and gratuities, or lawful expenses to public officials and private persons, agency relationships, commissions, lobbying, books and records and financial controls (“Anti-Corruption Laws”). The Anti-Corruption Laws include, without limitation, the Foreign Corrupt Practices Act, a law of the United States of America and the United Kingdom Bribery Act, a law of the United Kingdom. Supplier is aware that Snap-on may be sanctioned under the Anti-Corruption Laws in the event Supplier, directly or indirectly, offers, promises or makes payments to government officials or others for the purpose of influencing decisions favorable to Snap-on. Supplier hereby represents and warrants to Snap-on that no officer or other major decision maker of Supplier, now or at any time during the term of this Agreement, is, or will become, an official of any government agency or a corporation owned by a governmental unit where Supplier does business without prior written notice to Snap-on. Supplier further acknowledges that Snap-on may withhold payment if Snap-on has reason to believe that the Supplier is in breach of this Anti-Corruption Compliance provision. Snap-on has the right, which may be exercised by Snap-on upon notice to Supplier, to audit the Supplier’s records in order to satisfy itself that no breach of this provision has occurred.

* + 1. Supplier will comply at all times with applicable laws, rules, regulations, orders, judicial decision, decrees, conventions, binding or non-binding guidelines and international financial institution rules regarding the use of slavery, forced, involuntary or coerced labor, child labor, human trafficking or sex trafficking and with respect to reporting on and/or addressing the risks of modern slavery in business operations and supply chains (the “Anti-Trafficking Laws”). The Anti-Trafficking Laws include, without limitation, the California Transparency in Supply Chains Act, the UK Modern Slavery Act, the requirements of United States Federal Acquisition Regulations 52.222-50 and 52.222-56, the Australian *Modern Slavery Act* 2018 (New South Wales, Australia), the Australian *Modern Slavery Act* 2018 (Commonwealth of Australia), the Norway Transparency Act (effective as of July 1, 2022), and the EU Anti-trafficking Directive 2011/36/EU (the **Anti-Trafficking and Modern Slavery Laws**). Supplier hereby represents and warrants to Snap-on that Supplier does not engage in any form of modern slavery; forced, involuntary or coerced labor; child labor; human trafficking or sex trafficking as defined under the Anti-Human Trafficking Laws (together, “Modern Slavery”) including the recruitment, transportation, transfer, harboring or receipt of persons, by means of threat or use of force, coercion, abduction, or fraud for the purpose of exploitation or forced labor. Supplier warrants that it will take all reasonable steps to ensure there is no Modern Slavery in its operations or supply chains and that if Supplier becomes aware that Modern Slavery is taking place in its operations and/or supply chains it will notify Snap-on. Supplier must not take or threaten to take any action to dismiss employment, cause injury, discriminate, refuse to employee or otherwise behave unreasonably towards any person employed, contracted or otherwise engaged by the Supplier or any other third party due to their disclosure of information in good faith for the purpose of this Anti-Trafficking Compliance provision. Snap-on has the right, which may be exercised by Snap-on immediately upon notice to Supplier, to audit the Supplier’s records in order to satisfy itself that no breach of this provision has occurred. Supplier must from the Effective Date and until the termination of this Agreement provide information as requested by Snap-on from time to time and which is reasonably required by Snap-on to comply with its obligations under Anti-Human Trafficking Laws. Supplier further acknowledges that Snap-on may withhold payment if Snap-on has reason to believe that the Supplier is in breach of this Anti-Trafficking Compliance provision. In its absolute discretion, Snap-on has the right to Termination for Cause in the event of a breach of this Anti-Human Trafficking Compliance provision.

# Product Regulatory Compliance. Product regulatory compliance for the “Snap-on Incorporated” branded products (including, without limitation, SNAP-ON, BLUE-POINT, WILLIAMS, BAHCO, SIOUX, CDI, Challenger Lifts, Auto-Crib, Pro-Cut, Norbar, and Car-O-Liner) includes safety approvals and certifications, radio transmission certification, EMC compliance as well as environmental requirements including energy efficiency. From time to time, governmental authorities issue product-based directives that regulate product content in a manner which restricts ingredients or imparts a ban on the sale of non-compliant products or packaging in designated geographic regions. Examples include, without limitation, RoHS, WEEE, decaBDE, REACH and DMF regulations in the European Union, and Proposition 65 in California. In addition, Snap-on is subject to regulations regarding CONFLICT MINERALS as set forth in Section 13(p) of the Securities Exchange Act of 1934, and any rules and regulations promulgated from time to time with respect thereto (the “Conflict Minerals Rules”). Under no circumstances will banned substances be present in any Snap-on branded products, or used in the processes used to manufacture Snap-on branded products. Restricted substances that are not banned, should, if possible, be avoided and replaced with acceptable alternatives.

To ensure there is no interruption in Snap-on’s supply chain, Snap-on requires its suppliers to comply with the product requirements applicable to the goods supplied based on the locations of Snap-on’s customers or ultimate end recipients .The Supplier will comply with all applicable product requirements, and will immediately notify Snap-on in a mailed writing or by e-mail, with a confirmed response of receipt, of any change in compliance (resulting from changes to the Product(s) or to the applicable requirements) that could impact Product supply or distribution. Supplier will also complete and sign specific Snap-on compliance surveys upon request, and agree to undergo periodic audits conducted by Snap-on, or by a third party designated by Snap-on, to verify compliance with applicable product requirements and to enable Snap-on to comply with its obligations under the Conflict Minerals Rules or other similar regulations. As requirements change, Supplier is also responsible for timely response to future compliance requests that may become enacted after the date of this Agreement.

# Stop Sales, Recalls and Corrective Actions. Supplier will immediately notify Snap-on in writing and by e-mail of any potential or actual stop sale, product recall or corrective action on any Product sold to Snap-on, and consult with Snap-on prior to undertaking any action in connection therewith. Supplier will, upon request, immediately reimburse Snap-on for all costs, expenses, losses and damages, including, without limitation, business interruption costs, associated with the stop sale, product recall or corrective action involving any Product. The business interruption costs include, but are not limited to, reasonable cost with identification and notification of customers as well as the processing of a recall through Snap-on’s system (including labor and materials for the repair and replacement of Products, freight and handling charges, customer service, administration, etc.). Nothing in this section prevents Snap-on from taking any corrective action necessary or appropriate for Products that are branded with Snap-on Marks and Supplier will reimburse Snap-on for all costs, expenses, losses and damages Snap-on incurs as stated in this section and the Indemnification section.

* 1. **Customs and Origin Criteria Requirements**.
     1. In those instances where Snap-on and/or their agent/sub-contractor is the “destination/in-country” Importer of Record, Snap-on will be responsible for all applicable customs duties, taxes and fees, unless otherwise agreed. Supplier’s invoice to Snap-on shall be accurate and will contain, for each line item or good, all information necessary to allow for efficient entry of goods into the destination country, including, but not limited to – Snap-on part number, correct currency designation, brief accurate written product descriptions, Snap-on purchase price and/or fair market value for samples and prototypes, correct and current harmonized tariff codes (minimum 6-digits), correct country of origin designation, applicable 2010 INCOTerm, when applicable, the itemized inland and/or international freight charges, applicable import duties & fees, cargo insurance costs, and any special non-standard packaging costs.
     2. Supplier agrees to promptly submit to Snap-on any documents required by any applicable governmental or regulatory body’s law, rule or regulation to allow legal efficient entry of any good into any country, including any safety data sheet (SDS), and any documents or information required by the importing country, such as - US - FCC, FDA, EPA, DOT or any other US, MX or CA government agency documents.
     3. In the event of the commencement of any U.S. Government Agency, non-US government agency, C-TPAT, NAFTA, Generalized System of Preferences (GSP) or other Free Trade Agreement (FTA) investigation or audit, including but not limited to - valuation, HTS classification, antidumping/countervailing duty, C-TPAT, or other compliance related reviews, Supplier agrees to fully cooperate with both or either the U.S. or foreign Government and Snap-on, including site inspections, promptly providing any required information on the origin, manufacture, sale or supply chain security of the Supplier’s products (prices, quantities, terms of sale, etc.) in its home and export markets, as required or requested by the applicable government body conducting the investigation or audit.
     4. As instructed and required by US law or regulation (Ref. 19 CFR 134), Supplier will clearly and correctly mark all products and packaging with the country of manufacture (origin).
     5. If the Products are eligible for any USG reduced or preferential duty program, including NAFTA, GSP or any FTA, Supplier agrees to follow all program requirements as outlined within the program rules of origin. Suppliers will provide Snap-on, with respect to all goods and transactions that are eligible for GSP, all FTA’s, including NAFTA, or any other Special Programs, all required program documentation and/or information, either through submission of any applicable documentation or within all STV fields uploaded into Snap-on’s STV website, or with permission from Snap-on Compliance, a valid, complete and properly formatted certificate of origin for each product with the Snap-on part number upon each of the following dates or events: (i) upon initial purchase by Snap-on; (ii) annually thereafter by January 10 of each year during the term of this Agreement; (iii) upon revision of any previously uploaded data within the STV site and/or, with Snap-on compliance permission, revisions to a prior origin certificate; and (iv) when requested by Snap-on, a revised data upload into the STV site and/or a written updated certificate is requested by Snap-on. For purposes of this section, combined multi-part written certificates acceptable.
     6. Mandatory Origin Certification - Supplier’s complete annual origin certification process must be fully completed, signed, dated and uploaded into Snap-on’s STV website or with Snap-on compliance permission, a hardcopy document sent to Snap-on, to be received by Snap-on compliance by January 10 of each year. For new or revised Products, Supplier shall fully update product origin to Snap-on, as noted above, within 10-business days of any origin changes or purchase by Snap-on of any new Product. In addition to the annual product origin solicitation, on a monthly follow-up basis, Snap-on corporate compliance will provide a listing of open parts/products (existing or new) requiring origin verification to each affected Supplier. Supplier must provide Snap-on, through the STV site, origin verification for all parts on the open list supplied to any Snap-on US, MX or CA entity within (3) weeks of the email notification, otherwise Supplier’s invoice payment may be withheld by the affected Snap-on US, MX or CA entity, at Snap-on’s discretion. This clause applies equally to the annual product origin solicitation, as well as throughout the year as new Products are added or existing product origin changes are made. Current US FTA, USMCA (NAFTA), GSP or other Special Program eligible nations can be found on the US Customs website @ www.cbp.gov or export.com.
     7. ISF-10 REQUIREMENTS – For all ocean shipments, CL or LCL sent to any Snap-on U.S. facility/location, where Snap-on is the designated US Importer of Record, Supplier will or will cause the shipper to, no less than 4-business days prior to loading the cargo/container onto the vessel in the overseas port, provide both Snap-on and/or Snap-on’s designated agent all information required to properly and successfully complete the required ISF-10 filing with US Customs. Any fines assessed to Snap-on by US Customs related to late, incomplete or missing ISF-10 filing, caused by either the Supplier and/or the shipper, will be debited back, in full, to the Supplier.
     8. C-TPAT Requirements – Snap-on Incorporated, as the parent company for all Snap-on US companies and facilities, is a Tier II participant in the US C-TPAT Supply Chain Security Program for all inbound US shipments – air, ocean, truck and parcel. Each year Snap-on Incorporated is required by US Customs to verify our logistics supply chain security procedures with all Snap- on suppliers, both US and Non-US suppliers. To meet this requirement, suppliers must comply with the required supply chain security verification process coordinated through Snap-on compliance, via the C-TPAT certification tab found within the Snap-on STV website.
     9. Wood Packaging Materials – If Supplier is shipping goods into any global Snap-on facility and/or Snap-on sub-contractor/agent facility, Supplier are required to ensure all wood used to package and/or ship said goods are in full compliance with all destination photo sanitary wood packaging regulatory requirements. If any Snap-on global facility and/or a Snap-on sub-contractor/agent are assessed any fine or penalty and/or seizure of goods due to any non-compliant wood packaging or shipping materials, all such regulatory costs plus all other related costs arising out of such non-compliance, including but not limited to - storage fees, additional transport costs, warehouse fees, labor, as well as all legal fees, shall become the sole responsibility of the shipper/supplier and Snap-on and/or Snap-on sub-contractor/agent will be held harmless and indemnified by said shipper/supplier for such costs.
     10. Intellectual Property (IP) - All suppliers shipping goods into any global Snap-on facility and/or Snap-on sub-contractor/agent facility are required to ensure any goods they supply are in full compliance with all destination IP regulations. If any Snap-on global facility and/or a Snap-on sub-contractor/agent are assessed any fine or penalty and/or seizure of goods due to any non-compliant intellectual property rights issue related to Snap-on’s imported goods, all such regulatory costs plus all other related costs, including not limited to - storage fees, additional transport costs, warehouse fees, labor, as well as all legal fees, shall become the sole responsibility of the shipper/supplier and Snap-on and/or Snap-on sub-contractor/agent will held harmless and indemnified by said shipper/supplier for such costs
  2. **Hazardous Product Labeling**. Supplier will label all hazardous materials as defined by applicable United States federal, state and local statutes, laws, propositions, and regulations (“Laws”), as required by such laws. Supplier agrees to comply with all Laws relating to the environment including those relating to the packaging, labeling, and distribution of Products that contain hazardous materials, including but not limited to California Proposition 65 and the Hazardous Communication Standards promulgated by the United States Occupational Safety and Health Administration. Supplier agrees to provide timely, complete, accurate and up-to-date information as required by applicable Laws.

**2. GOVERNMENT CONTRACTS** *(Applicable for Products supplied to the Government*.)

1. Time is of the essence. All product must be delivered by or before the date stated in the order. Supplier is liable for any damages incurred if the delivery date is not met.
2. Supplier certifies that it is not debarred, suspended or otherwise ineligible to receive contracts or orders from a federal agency. Supplier agrees to provide written notice if its eligibility status changes at any time during the period of this Agreement
3. Compliance with GSA Schedule contract obligations mandates that Snap-on deliver products manufactured in the United States or transformed in a Trade Agreements Act designated country (<http://gsa.federalschedules.com/resources/taa-designated-countries/>). To the extent Supplier provides Snap-on an end product that is offered for sale to the U.S. Government, Snap-on will provide Supplier with a list of that item(s) and Supplier hereby agrees to provide only products compliant with this obligation (See FAR 52.225-5). For each end product supplied for sale to the U.S. Government, Supplier certifies the product supplied is manufactured in the United States or, alternatively, the product and country of manufacture (origin) is identified in the TAA listing of compliant countries. During the period of this Agreement, Supplier agrees to notify Snap-on of any change in country of origin status. Not all Suppliers will need to meet this requirement; it only applies to those that provide product(s) to Snap-on that are offered for sale to the U.S. Government.
4. In the event that any Products are purchased by Snap-on, or by Snap-on on behalf of or for resale to a division, subsidiary or affiliate, to fulfill a government contract or contracts, Supplier will comply with all provisions, agreements and clauses of the applicable government contract required to be flowed down to subcontractors or suppliers, as well as, applicable State and Federal Acquisition Regulations, Presidential Directives and Executive Orders. The pertinent provisions, agreements and clauses contained in any applicable contract between Snap-on, or its parent company Snap-on Incorporated, divisions, subsidiaries or affiliates and the Government entity are hereby incorporated by reference. With respect to any such clause, provision, etc., the term ‘government’ or ‘contracting officer’ shall refer to Supplier. A copy of said contract or the part thereof that Snap-on deems applicable to such Supplier will be given upon request. All clauses will be treated as Confidential Information. The Supplier will comply with the following provisions of the Code of Federal Regulations:

**Supplier and Supplier’s subcontractor will abide by the requirements of 41 CFR SS 60-1.4(a), 60-300.5(a) and 60-741.5(a). 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, or national origin. Moreover, 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, national origin, protected veteran status or disability.**

Supplier will also comply with the following additional provisions of the Code of Federal Regulations:  48 C.F.R. 52.219-8, Utilization of Small Business Concerns; 48 C.F.R. 52.219-9, Small Business Subcontracting Plan; 48 C.F.R. 52.222-26 Equal Opportunity Under Executive Order 11246; 48 C.F.R. 52.222-35, 41 C.F.R. 60-250.5(a), Equal Opportunity and Affirmative Action for Covered Veterans; 48 C.F.R. 52.222-36, Affirmative Action for  Persons with Disabilities; and 29 C.F.R. Part 471, Appendix A to Subpart A, Notification of NLRA Rights.

1. Supplier and its subcontractors will comply with FAR 52.222-50 and 52.222-56, the “Anti-Human Trafficking and Slavery”.
2. **SMALL BUSINESS UTILIZATION REQUIREMENTS** (*Applicable only when total sales exceed $650,000 in a year*.)
3. Compliance with applicable Federal requirements mandates that Federal Acquisition Regulation (FAR) clause 52.219-8, Utilization of Small Business Concerns, applies to any supplier agreement where a non-small business supplier provides more than $650,000 in products or services. This requirement will not apply to all suppliers. When applicable, Snap-on will contact Supplier and Supplier agrees to provide an annual Small Business Subcontracting Plan as required by FAR 52.219-9.
4. **COUNTERFEIT GOODS**.
5. Supplier will not furnish Counterfeit Goods to Snap-on. “Counterfeit Goods” are defined as goods or separately-identifiable items or components of goods that: (i) are an unauthorized copy or substitute of an Original Equipment Manufacturer or Original Component Manufacturer (collectively, “OEM”) item; (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re- worked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OEM design but not disclosed as such or are represented as OEM authentic or new; or (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes. Notwithstanding the foregoing, goods or items that contain modifications, repairs, re-work, or re-marking as a result of Supplier’s or its subcontractor’s design authority, material review procedures, quality control processes or parts management plans, and that have not been misrepresented or mismarked without legal right to do so, will not be deemed Counterfeit Goods. Counterfeit Goods will be deemed nonconforming to this Agreement.
6. Supplier will implement an appropriate strategy to ensure that goods furnished to Snap-on under this Agreement are not Counterfeit Goods. Supplier’s strategy will include, but is not limited to, the direct procurement of items from OEMs or authorized suppliers, conducting approved testing or inspection to ensure the authenticity of items, and, when items are to be procured from non-authorized suppliers, obtaining from such non-authorized suppliers appropriate certificates of conformance that provide one or more of the following: (i) the OEM’s original certificate of conformance for the item; (ii) sufficient records providing unbroken supply chain traceability to the OEM; or (iii) test and inspection records demonstrating the item’s authenticity.
7. If Supplier becomes aware or suspects that it has furnished Counterfeit Goods to Snap-on under this Agreement, Supplier will promptly, but in no case later than ten (10) days from discovery, notify Snap-on and replace, at Supplier’s expense, such Counterfeit Goods with OEM or Snap-on-approved goods that conform to the requirements of this Agreement. For confirmed Counterfeit Goods, Government-Industry Data Exchange Program notification will also be made no later than sixty (60) days after discovery. Supplier will be liable for all costs related to the replacement of Counterfeit Goods and any testing or validation necessitated by the installation of authentic goods after Counterfeit Goods have been replaced. Supplier bears responsibility for procuring authentic goods or items from its subcontractors and will ensure that all such subcontractors comply with the requirements of this Section.
8. **DATA PROTECTION.**
9. Snap-on may collect and process certain personally identifiable information belonging to Supplier and its employees, including without limitation, financial related information, date of birth, individual name, contact information, etc. (“Personal Data”), if such Personal Data is needed for the purposes stated below. The Personal Data may be stored on servers located in the European Union and in the United States or another server outside of the EEA. Supplier agrees to only provide Personal Data for which it has the right to provide to Snap-on and, if required by law, has the necessary consent to provide such Personal Data to Snap-on. Snap-on will only collect and use such Personal Data for the following purposes: (i) to perform and transact business under this Agreement; and (ii) manage compliance programs in accordance with applicable laws, including without limitation compliance with Anti-Corruption Laws and product regulatory compliance laws, rules, orders and regulations. As between Snap-on and Supplier, all Personal Data supplied by Supplier will be the property of Supplier and will only be retained by Snap-on until Snap-on no longer needs it in order for the purposes outlined within this section.
10. Snap-on may provide Supplier with certain Personal Data belonging to Snap-on, its employees and its customers, if such Personal Data is needed for the purposes of performing under this Agreement. Snap-on agrees to only provide Personal Data for which it has the right to provide to Supplier and, if required by law, has the necessary consent to provide such Personal Data to Supplier. Supplier will only collect, use, retain, or disclose personal information for the purposes of supplying Product to Snap-on in accordance with any instructions provided by Snap-on (“Contracted Business Purpose”).
11. The Parties will comply with and remain in compliance with: (i) all applicable Privacy and Data Security Laws, which means all privacy, security, data protection and communications laws, rules and regulations of any applicable jurisdiction, including, without limitation, the United States and Europe and each jurisdiction where a data subject resides, that apply to the Personal Data, and all then-current industry standards, guidelines and practices with respect to privacy, security, data protection, including the collection, processing, storage, protection and disclosure of Personal Data; (ii) the applicable data security and privacy policies of Supplier, and (iii) the applicable data security and privacy policies of Snap-on that are provided by Snap-on to Supplier from time to time.
12. Supplier will not collect, use, retain, disclose, sell, or otherwise make personal information available for Supplier's own commercial purposes or in a way that does not comply with the California Consumer Privacy Act of 2018, as amended (Cal. Civ. Code §§ 1798.100 to 1798.199), and any related regulations or guidance provided by the California Attorney General (“CCPA”). Supplier certifies that it understands this Agreement's and the CCPA's restrictions and prohibitions on selling personal information and retaining, using, or disclosing personal information outside of the parties' direct business relationship, and it will comply with them.