

United Stationers Supply Co. Master Terms and Conditions

1. Additional Terms; Incorporation by Reference: This agreement incorporates and is subject to United's Supplemental Terms and Conditions, as posted at www.ussco.com/suppliers/supplementalterms.pdf, as modified by United from time to time. United will provide a printed copy of the Supplemental Terms and Conditions upon request.
- 1.1 Attachment A is the Supplier Allowance Program. This program is renewed annually between the Supplier and United Stationers Supply Co. The then-current Supplier Allowance Program is incorporated by reference and is made a part of this agreement.
2. Orders.
 - 2.1 Forecasts and Purchase Orders. Any estimate or forecast United provides to Supplier is for planning purposes only and is not a commitment by United. United is not responsible for any actions Supplier takes based on United's estimates or forecasts. A commitment to purchase will arise only when United issues a purchase order for specific quantities of a Product or Products. "Product" means all goods purchased by United directly or indirectly from Supplier, including all packaging, labels, parts, instructions, manuals and warranties included with such goods. A purchase order issued by United will be considered United's acceptance of Supplier's offer to sell the Product(s) at the United cost price(s) then in effect. Only United Inventory Managers are authorized to order Products. United will not pay for Products ordered by unauthorized personnel.
 - 2.2 Cancellation. United may cancel or change orders or reschedule shipment or performance dates at no charge to United if United gives Supplier written notice of the cancellation or change before the later to occur of (i) the ship date, if any, specified on United's purchase order, or (ii) the date Supplier ships the order.
 - 2.3 Backorders. Supplier will immediately notify United's Inventory Manager of any Product that is not available to ship by the date requested on the purchase order and will provide weekly status updates with projected ETA until such time as all shipments are current. Supplier will give backorder shipments top priority and will ship them as soon as available. Supplier will fill purchase orders in the order of the original required shipment date unless United's Inventory Manager gives Supplier other specific written instructions. United will periodically give Supplier an Open Order Reconciliation Report. Within twenty-four hours Supplier will complete and return the report to United's Inventory Manager. If any Product remains on backorder more than 14 days after the ship date stated in United's purchase order for that Product, and if on or after that 14th day United is out of stock on that Product at any of United's distribution facilities, United may charge Supplier an administrative fee equal to United's daily sales forecast for that Product as of the date United assesses the administrative fee, multiplied by the number of days after the 14th day that Supplier has not filled all of United's outstanding order(s) for the Product, multiplied by 50% of United's standard dealer margin for the Product.
3. Pricing
 - 3.1 Price and Product Changes. Supplier must notify United in writing of any applicable list or cost changes a minimum of 120 days before the beginning of a calendar quarter, (January, April, July, October). Supplier's notice must be in the format United requests and must not be altered to a different file format or sequence of information. United will not accept price increases for any Products Supplier has proposed for inclusion in future promotional marketing activities during the life of that activity. Changes in Supplier's list price or United's cost price that reduce the discount percentage between cost and list will not be accepted. Supplier will give United at least 90 days' written notice before changing the packaging, stock number or units/pack of any Product, and such change will become effective on the first day of the next calendar quarter that occurs on or after the end of such 90 days notice.
 - 3.2 Best Price. The pricing, rebates and allowances Supplier provides to United for each Product United buys will be no less favorable than the pricing, rebates and allowances Supplier provides to any other customer that buys similar or smaller quantities of substantially comparable Products, including superstores, buying groups, direct-mail business and contract stationers (a "comparable

- customer”). If Supplier offers pricing, rebates or allowances to any comparable customer that are more favorable than what Supplier has offered United, Supplier will simultaneously give United the benefit of the more favorable terms.
- 3.3 Price Protection. If Supplier decreases the price of any Product, Supplier will pay price protection to United in an amount equal to the difference between the old and new price on all inventory on hand, on order or in transit.
4. Representations and Warranties.
- 4.1 Products. Supplier represents and warrants to United that: (a) Supplier has and will convey to United good and marketable title to all Products, free and clear of any security interests, liens, claims or encumbrances; (b) all Products will be new, OEM items and will be merchantable, free of defects in materials, workmanship, design or manufacture; (c) all Products will be safe and appropriate for the purposes for which such Products are normally used and for all purposes stated or shown on any packaging, labeling or advertising; (d) all Products and any related services will conform to all applicable specifications, drawings, samples and descriptions furnished to United, made generally available by Supplier or accompanying such Products, as well as all applicable legal requirements and governmental standards; and (e) all Products will meet or exceed and comply with all applicable American standards (including ANSI, ASME, ASTM, NEMA and UL). Supplier authorizes United to pass through the foregoing warranties, and any other applicable Supplier warranties relating to or accompanying Products to United’s customers and, in turn, to such customers’ respective end users/purchasers. All pass-through warranty recipients will be entitled to assert and enforce such warranties directly against Supplier in accordance with their respective terms. With respect to any end user, the warranty period will begin to run upon Product delivery to such end user.
- 4.2 Compliance with Laws. Supplier represents, warrants and agrees that all Products have been or will be produced, packaged, marked, labeled, shipped and invoiced in compliance with the applicable requirements of federal, state and local laws, regulations, ordinances and administrative orders and rules of the United States, its territories and all other countries in which Products are produced or delivered, including those imposed by OSHA, DOT and other environmental, health, safety or transportation governmental authorities or regulatory agencies.
- 4.3 Intellectual Property. Supplier represents and warrants that (a) Products will not, at the time that they are delivered, offered for sale or sold by United, infringe any patent, trademark, service mark, trade name, trade dress, copyright, trade secret, domain name, right of publicity or other intellectual property right of any person, corporation or other entity, and (b) all patents, trademarks, trade names, trade dress, copyrights, trade secrets, rights of publicity and other intellectual property rights (other than those intellectual property rights owned by or licensed to United) used by Supplier in connection with Products or in the development or manufacture of Products are either owned by Supplier or Supplier has been properly authorized by the owner of such rights to use such intellectual property rights in connection with the Products and to sell the Products incorporating such intellectual property rights to United for use or further resale. Supplier will notify United’s General Counsel in writing by certified mail, return receipt requested, within five (5) business days after it has knowledge of any claim or allegation of infringement, misuse, dilution, misappropriation or other violation of any patent, trademark, service mark, trade name, trade dress, copyright, trade secret, domain name, right of publicity or other intellectual property right in any way related to or affecting Products.
- 4.4 Advertising and Marketing. Supplier represents and warrants that all claims made by Supplier in any packaging, labeling, advertising, or other consumer material in connection with any Products will be true and will have been substantiated at the time that such claims are made. Supplier agrees to review and assume responsibility for the accuracy of all product information contained in United’s catalogs, flyers and other sales and marketing materials provided to it by United, provided that United submits proofs to Supplier for approval prior to publication.
5. Defense and Indemnity.
- 5.1 General. Supplier will indemnify, defend (with counsel reasonably satisfactory to United) and hold harmless United, its subsidiaries, customers and affiliates, their successors and assigns and their respective directors, officers, employees, shareholders, representatives, agents and customers (United and all such other parties collectively referred to as “United Indemnitees”) from and against any and all claims, actions, suits, demands, proceedings, liabilities, damages, fines,

- penalties, judgments, costs, expenses and losses of any kind whatsoever, including, without limitation, reasonable attorneys' fees (collectively, "Losses"), arising out of or relating to (i) any alleged or actual breach or non-satisfaction by Supplier or any of its employees, authorized representatives or advisors ("Representatives") of any of Supplier's warranties, representations, covenants or obligations in this Agreement, (ii) any actual or alleged breaches of Supplier's pass-through Product warranties to end users or other third parties, or (iii) any other claims of any nature whatsoever that any Products have caused or contributed to bodily injury or death or damage to real or personal property. Supplier also will indemnify, defend and hold United Indemnitees harmless from and against any Losses for personal injury or death or damage to any personal property arising out of or relating to the presence of any Supplier Representatives on United premises.
- 5.2 Intellectual Property. Supplier will indemnify, defend (with counsel reasonably satisfactory to United) and hold harmless all United Indemnitees from and against any and all Losses arising out of or relating to any actual or alleged violation or infringement by Supplier or by any Product(s) (or related descriptions, designs, photographs, drawings, specifications or technical designations) of a patent, trademark, service mark, trade dress or copyright, or any actual or alleged misappropriation by Supplier of any trade secret or other proprietary or intellectual property or moral right, of any third party. In addition to the foregoing, if an infringement claim is made or appears likely to be made about a Product, Supplier will, at United's option and at Supplier's cost, either: (a) procure for United and its customers the right to continue to use, market, sell and distribute the Product; or (b) replace or modify the Product to eliminate the infringement while providing functionally equivalent performance. If neither of those alternatives is commercially reasonable, Supplier will repurchase from United, in an amount equal to the greater of the purchase price actually paid by United or Supplier's then current list price therefore, all affected Products possessed by United and, upon receipt of such amount, United will return or destroy, at Supplier's option and cost, any such affected Products in its possession. Supplier will pay the damages and costs finally awarded against United in the infringement action, but only if (i) United notifies Supplier promptly upon learning that the claim might be asserted, (ii) Supplier has sole control over the defense of the claim and any negotiation for its settlement or compromise, and (iii) United provides reasonable support to Supplier in said defense. Supplier will have no indemnity obligation to United to the extent that the patent, copyright, trade secret or other infringement claim results from any unauthorized modification of the Product not provided or approved by Supplier or its Product materials, or the combination of the Product with other products or software not provided by Supplier.
6. Controlling Terms. Acceptance of any order by Supplier is expressly limited to the terms and conditions of this Agreement. Any proposed additional or inconsistent terms or conditions, including those in or accompanying any Supplier proposal, any Supplier order acknowledgement, acceptance or confirmation, any EDI or other agreement or any other Supplier document issued in connection with the sale or delivery of Products or services is deemed by United to be a material change and is objected to and rejected by United. United's acceptance of any Products or services will not constitute acceptance of any Supplier terms and conditions. Any of the following acts by Supplier will constitute acceptance by Supplier of this Agreement: signing and returning any purchase order that references or incorporates this Agreement; delivering any Products or performing any services ordered by United; informing United of shipment or commencing performance; or returning Supplier's signed acknowledgement form.
7. Insurance. Supplier has and will maintain in full force and effect, at no charge to United, commercial general liability and product liability insurance, including coverage for premises and operations, products and completed operations, contractual liability, property damage, bodily and personal injury, on a broad-form basis, covering Supplier and all of its affiliates and their respective employees, representatives and products, with coverage limits of liability of not less than the following: \$5,000,000 bodily injury and property damage per occurrence, \$5,000,000 products-completed operations per occurrence; \$5,000,000 limit of liability for personal and advertising injury. Each of the required policies of insurance will be primary and non-contributory and with an insurance company financially acceptable to United with a current A.M. Best rating of not less than A-VII,

- will name United Stationers Supply Co., its parent and affiliates and their respective customers (the "United Insureds") as additional insureds on a broad form vendors' endorsement acceptable to United and will contain a severability of interests clause, to the effect that the provided insurance applies separately to each insured against whom a claim is made or suit is brought, subject to applicable policy limits. Supplier waives, and will require its insurers to waive, subrogation against the United Insureds under all such insurance policies. In addition, Supplier will immediately notify United in writing of any material changes in Supplier's insurance coverage, and each insurance policy maintained by Supplier will contain a clause that the insurer will provide United with at least thirty 30 days prior written notice of any material change, expiration or cancellation of the policy. Supplier will deliver to United a certificate of insurance (issued by an authorized representative of Supplier's insurer(s) and in form and substance reasonably acceptable to United) evidencing the coverage under all applicable policies in conformity with these requirements and will provide a new certificate evidencing complying renewal or replacement insurance at least thirty (30) days prior to the expiration or cancellation date of any policy. This Section will survive the expiration or termination of this Agreement for two years.
8. **Recoupment and Set-Off.** United and Supplier acknowledge and agree that United's monetary obligations to Supplier under this Agreement, any Purchase Orders issued by United to Seller and any other agreements that reference this Agreement (collectively, "Supplier Agreements") will at all times be net of all monetary obligations owing by Supplier to United under any Supplier Agreement or otherwise (collectively, "Supplier's Monetary Obligations"). Any installment payment or advance made by United to Supplier in respect of any Supplier Agreement while any Supplier's Monetary Obligations are outstanding will be deemed to be an overpayment to Supplier to the extent of such outstanding Supplier's Monetary Obligations and will be subject to recoupment and or set-off by United. Without limiting the foregoing, United will have the right, at all times, to deduct any Supplier's Monetary Obligations from any amounts owed to Supplier by United, and to pay only the net sum due, if any. Any Supplier's Monetary Obligations that remain outstanding after any exercise by United of its recoupment and/or set-off rights will be paid by Supplier promptly upon demand by United. For the purpose of United's exercise of the right of recoupment and/or set-off only, any raw materials, components and parts sold by Supplier to United for use in Merchandise, if applicable, will be deemed to be sold to United pursuant to a Purchase Order.
9. **Termination.**
- 9.1 **Termination of this Agreement.** Either party can terminate this Agreement by giving at least 90 days' written notice to the other party, which termination notice will be effective as of the date United begins delivering the next General Line catalog following the end of such notice period.
- 9.2 **Termination of Orders.** United may terminate any and all Product orders and any related agreements with Supplier immediately for cause, without any liability whatsoever to Supplier, in the event Supplier: (i) becomes insolvent or admits its inability, or becomes unable, to pay its debts in a timely manner; (ii) is the subject of a voluntary or involuntary filing by or against it under Title 11 of the U.S. Code; (iii) ceases to function as an active concern or ceases its operations in the normal course of business; (iv) assigns or transfers any of its rights or obligations in violation of this Agreement, or (v) fails to perform any of its obligations under or breaches in any material respect this Agreement or any agreements between Supplier and United which incorporate or reference this Agreement. In addition, Buyer may terminate any Product orders, in whole or in part, for its convenience by notice to Supplier at any time before delivery or provision of Products. United's sole responsibility upon any such termination for its convenience will be to pay the agreed purchase price of any conforming Products previously provided or in transit to United at the time of such termination.
10. **Notice.** Notice is effective: (i) when delivered personally, (ii) three business days after sent by certified mail, (iii) on the business day after sent by a nationally recognized courier service, or (iv) on the business day after sent by facsimile with electronic confirmation to the sender. A party may change its notice address by giving notice in accordance with this Section. Notice under this Agreement are sufficient if given by nationally recognized overnight courier service, certified mail (return receipt requested), facsimile with electronic confirmation or personal delivery to the other party at the address listed on the signature page hereto.

11. Supplier Code of Ethics. By signing below on behalf of Supplier, Supplier's signatory certifies that all of Supplier's representatives who have contact with associates of United Stationers Inc. have read the Supplier Code of Ethics attached hereto as Attachment B and agree to be bound by it while doing business with United Stationers Inc. or any of its subsidiaries.

Each party's signature below confirms that it has read and understands this Agreement and agrees to its terms.

UNITED STATIONERS SUPPLY CO.

Signature: _____

Printed Name: _____

Title: _____

Date Signed: _____

Address for Notices to United:

Mailing Address:

United Stationers Supply Co.

One Parkway North Blvd.

Suite 100

Deerfield, IL. 60015

Attn: Vice President, Merchandising.

With a copy to the same address, Attn: General Counsel

SUPPLIER NAME: _____

Signature: _____

Printed Name: _____

Title: _____

Date Signed: _____

Contact at United: _____

Address for Notices to Supplier:

Attn: _____

Attachment A

Supplier's Allowance Program

This Supplier's Allowance Program applies to calendar 20_____.

Attachment B

United Stationers Inc. Supplier Code of Ethics

At United Stationers Inc. and our subsidiaries, United Stationers Supply Co., United Stationers Technology Services LLC, United Stationers Financial Services LLC, Lagasse, Inc. and ORS Nasco, Inc. (collectively, "USI"), our associates seek to outperform our competition fairly and honestly through superior performance and never through unethical or illegal business practices. We are confident that our suppliers also desire to operate in this manner and in an environment that is free from inappropriate influence due to unethical business practices.

To this end, USI suppliers are required to abide by the following ethical principles:

- Avoid the intent or appearance of unethical practices in relationships, actions and communications with USI and all of its associates.
- Avoid creating any conflict of interest with a USI associate, particularly any associate involved in negotiating agreements or making purchasing decisions.
- Disclose to USI senior management any family or other personal relationships that your representatives may have with any USI associate.
- Refrain from offering money, gifts of other than nominal value, excessive hospitality, trips, loans or other special treatment to USI associates that might influence or appear to influence their relationship with you.
- Refrain from requesting agreements that restrict resale pricing or restrain competition.
- Comply with all applicable laws and regulations relating to the conduct of business which relates in any way to USI.

Suppliers who violate or attempt to compromise these ethical principles will be subject to cessation of business with USI.