

BASIC ORDERING AGREEMENT

BETWEEN

MSC INDUSTRIAL SUPPLY

AND

**UT-BATTELLE, LLC
On Behalf of ICPT for
The Department of Energy**

**BASIC ORDERING AGREEMENT NO.
ORNL-2007-1001**

This Basic Ordering Agreement (BOA) between MSC (hereinafter called Seller) and UT-Battelle, LLC/Oak Ridge National Laboratory (ORNL) on behalf of the Department of Energy/National Nuclear Security Administration (DOE/NNSA) is to provide Safety Supplies, Respirators, & Gloves (hereinafter called "Supplies") to the DOE, its Management and Operating (M&O) Contractors, Management and Integrating (M&I) Contractors, and designated affiliates in accordance with the following:

1. This Agreement is for the supply of safety products represented in the MSC Safety Supply Catalog, including personal protective equipment (PPE), respirators, and gloves, on an as-needed basis.
2. This Agreement is for DOE and NNSA Contractors and authorized subcontractors. The Agreement may also be used by other DOE/NNSA Prime Contractors (collectively herein after called "Contractor").
3. Pricing is in accordance with the MSC Safety Supply Catalog at the discounts identified in Attachment A. The Discount Schedule in Attachment A will be applied to all orders regardless of how the orders are processed (e.g. phone, fax, ARIBA, EDI, or other electronic ordering system). Contact Procurement Administrator for discount schedule.
4. General Terms and Conditions (01/2006 [Updated July 2006]) are included in Attachment C, and made a part herein.

The parties agree that Contractors may place orders under this BOA and receive the appropriate discounted prices. Each Contractor shall place its own orders under this Agreement and shall be direct-billed accordingly.

ARTICLE 1 - SCOPE OF WORK

All Orders placed hereunder shall reference the number of the BOA (Agreement Number ORNL 2007-1001) and site specific order number as required by the specific Contractor site.

The effective term of the Agreement is five years, **commencing October 1, 2007 through and including September 30, 2012**, with one-year options that may be bilaterally exercised in one-year increments.

The Seller shall provide safety supplies represented in the MSC Safety Supply Catalog, including personal protective equipment (PPE), respirators, and gloves.

The Seller agrees to furnish such quantities of products described herein as Contractor may order during the term of the Agreement. The Seller's obligation to each Contractor shall become effective upon acceptance of particular orders issued under the Agreement.

Complete details of the value-added services that are included in the discount scheme for the supplies, can be found in Attachment B - Value-Added Services.

ARTICLE 2 - DELIVERY / PAYMENT

The work specified in Article 1 shall be delivered as follows:

- o **F O B Point (point of delivery) - Destination.** Delivery location and schedule shall be negotiated for each order under the BOA.
- o **PAYMENT TERMS:** Unless otherwise provided, terms of payment shall be Net 30 from the latter of (1) receipt of Seller's proper invoice, if required, or (2) delivery (and acceptance, if required by the Order) of items/completion of work.

ARTICLE 3 – FIXED PRICES

The Contractor shall be entitled to purchase goods and services at the fixed prices listed in the MSC Safety Supply Catalog in accordance with the discount schedule in Attachment A. The prices in the MSC Safety Supply Catalog and discount schedule in Attachment A are firm for the effective period of this Agreement, described in Article 1, Scope of Work, unless the Contractor is otherwise notified. Pricing includes free freight with same day shipping guarantee and next day delivery for stock items to DOE/NNSA locations in the contiguous United States. All packaging permits and related handling costs shall be included in the price for the supplies.

The same fixed pricing and discount schedule, including free freight, will apply to Contractor- specific BOAs utilizing small business resellers with no additional markup.

Individual orders processed through the ICPT website (via ARIBA) will be placed directly with MSC Industrial Supply unless otherwise agreed by both parties.

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DOE/NNSA will consider a revision to the established discount on an annual basis. In the event of a request to decrease the discount, the Seller shall provide a written justification for such change in sufficient detail to allow the BOA Procurement Administrator to determine the reasonableness of the request. An increase in the discount does not require any formal request and/or justification.

Seller will work with DOE/NNSA to identify high velocity items that merit additional price reductions, as enabled by additional negotiations between Seller and its manufacturing partners.

ARTICLE 4 - ADMINISTRATIVE

Procurement Administrator for the BOA is:
Jackie Smith
UT-Battelle, LLC/Oak Ridge National Laboratory
P O Box 2008
Oak Ridge TN 37830-6339
865- 576-1754
Smithjm1@ornl.gov

Seller's Administrator for the BOA is:
Mike Hyser
MSC - Baltimore
3051 Washington Blvd. Bldg A
Baltimore MD 21230
410-644-1313
hyserm@mscdirect.com

ARTICLE 6 - SMALL BUSINESS RESELLER REQUIREMENTS

As requested by a specific Contractor site, Seller agrees to offer supplies through local small business resellers under a site-specific BOA. The discounts, without markup, incorporated into the Agreement shall be the basis for pricing under these relationships. This includes local small/small disadvantaged, woman-owned, Hub Zone, veteran-owned, and service disabled veteran-owned businesses for the Contractors.

ARTICLE 5 - SITE SPECIFIC TERMS AND CONDITIONS

The Seller acknowledges that the Contractor may have requirements unique to its post, mission, and/or geographic location. Therefore, the Seller agrees that the Contractor placing an order under the BOA reserves the right to incorporate its own Site-Specific Terms and Conditions relative to Environmental Safety and Health considerations as well as FAR, DEAR, or other applicable regulations and laws.

**Attachment A
ORNL 2007-1001
Discount Schedule**

Contact Procurement Administrator, Jackie Smith - smithjm1@ornl.gov for discount schedule.

**Attachment B
ORNL 2007-1001
Value Added Service**

Value added services

Training seminars for ergonomics, hand tool usage, safety, and customized programs supporting individual 5S LEAN and SIX SIGMA initiatives are included. Site evaluations to provide DOE/NNSA with proactive cost savings opportunities in areas such as lighting and signage, sling and hoist inspection, and air/water/oil leak evaluations are included. The employee purchase program is available to all DOE/NNSA sites. Additional standard services include access to MSC product tech teams, monthly sales flyers, and Vendor Managed or Customer Managed Inventory Programs.

Customer Support

- **Primary Contact for DOE/NNSA** - The Program Manager for Government Contractors will own the total contract, with ultimate responsibility for DOE/NNSA's satisfaction, to include, but not limited to the following areas:
 - Contract Implementation and Launch
 - Service Level reporting
 - Quarterly Review Meetings
 - Ad Hoc Support of Requests from DOE/NNSA
- This individual, **Mike Hyser**, has the following contact information:
 - Address: MSC - Baltimore
3051 Washington Blvd. Bldg A
Baltimore MD 21230
 - Phone: Office - 410-644-1313
Mobile - 410-984-7637
 - E-Mail - hyserm@mscdirect.com

Attachment B
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Value Added Service
[Continued]

- o **Secondary Contact for DOE/NNSA** - In the event that Mike Hyser is unavailable due to unforeseen reasons, DOE/NNSA has Kathy Johnn as an alternative contact.
 - Address: MSC Corporate
75 Maxess Road
Melville, NY 11747
 - Phone: 516-812-1324
 - E-Mail - johnnk@mscdirect.com
- o **Local Representation and Management** - DOE/NNSA's 120+ locations will be supported in their respective area by their local MSC Sales Team, per guidance from the Contract Owner. (Pricing, freight, and other contract specifics are controlled at the corporate level.) Contact information for these local offices is referenced in the url listed below.
http://www1.mscdirect.com/CGI/NNPAGE?PMPAGE=aboutmsc/loc_home.html&PMI NI=Y
- o **Local Customer Service** - Order placement, requests for returns, and other routine functions can be supported through the local Branch network, or through the MSC call center network, which can be reached nationally at **800-645-7270**. Many functions, such as order entry, order tracking, reporting requests, etc., can be fulfilled online at www.mscdirect.com.

Reporting Capabilities

MSC provides National Government Contractor Account Customers with a suite of predefined activity reports, customized reporting, and online reporting tools. MSC also offers through mscdirect.com an on-line reporting tool available. Online reports can be accessed 24/7 and up to (2) years of transaction history can be downloaded and imported into spreadsheets, databases, or uploaded to procurement platforms.

MSC will provide a suite of predefined reports, including but not limited to site location spend analysis, product category spend analysis, tier 2 small business, freight, p-card, and performance reporting.

Cost savings will be provided and documented on an annual basis. MSC has developed a comprehensive cost savings documentation program that captures savings associated with managed inventory (VMI/CMI), E-Procurement, P-Card usage, Freight, Price discounts, inventory reduction, process improvement and training.

**Attachment C
ORNL 2007-1001
Terms and Conditions**

Basic Ordering Agreement General Terms and Conditions for Commercial Items and Services – DOE Contractors (01/06), shall apply. See <http://www.llnl.gov/icpt/ts&cs.html>

DOE/NNSA Site Specific Terms and Conditions may also be incorporated into any subsequent Site Specific Basic Ordering Agreement.