



Supplier Terms of Commerce Policy

Compliance Statement

The Toro Company and its subsidiaries (collectively "TTC") are committed to comply with applicable U.S. and international laws and regulations and expect Supplier to support that commitment. TTC requires Supplier's compliance with terms and business practices contained in this document. Where practicable, referenced laws and policies are included as hyperlinks in the sections below.

Restricted Substances

Supplier certifies that it will comply with applicable U.S. and international laws and regulations regarding the use of restricted substances in goods supplied to TTC. Supplier agrees to provide information regarding the substances present in goods it supplies to TTC.

Conflict Minerals

Supplier certifies that it will comply with [TTC Conflict Minerals Policy](#). TTC requires certain selected suppliers to perform and document activities associated with supply chain due diligence and to address risks associated with minerals from conflict affected or high-risk areas. Supplier shall maintain related Conflict Minerals records for a minimum of seven years unless otherwise specified. TTC reserves the right to audit and inspect Supplier's documentation related to Supplier compliance declarations and certifications to Conflict Minerals.

Human Rights and Modern Slavery

TTC recognizes the vital importance of addressing human rights within our workplace and extending our commitment to our employees, business partners, suppliers, and other stakeholders. TTC requires Supplier to respect basic human rights of its own work force in any stage of production including but not limited to design and development, mining, manufacture, contracting or subcontracting of goods or components.

As stated in [TTC's Statement on Modern Slavery](#), we stand against modern slavery by any person or organization, including its suppliers. Modern slavery encompasses forced labor, prison labor, indentured labor, bonded labor, debt servitude, state imposed forced labor, human trafficking, and child labor. "Child" is as anyone who is less than fifteen (15) years of age, unless the compulsory school age in the country where the Supplier is doing business is higher than fifteen (15). If the compulsory school age is higher than fifteen (15) in a country where the Supplier is doing business, "child" is defined as anyone who is younger than the compulsory school age in the relevant country.

In compliance with the [Tariff Act 1930](#), [North Korea Sanctions and Policy Enhancement Act 2016](#), [Countering America's Adversaries Through Sanctions Act 2017](#), and the [Uyghur Forced Labor Prevention Act 2021](#), TTC requires Supplier to implement policies and procedures to ensure that no labor from North Korea or Xinjiang Uyghur Autonomous Region of the People's Republic of China is used anywhere in the supply chain of goods, wares, merchandise, and articles merchandise, or any components thereof, supplied to TTC.

The Toro Company reserves the right to amend the Supplier Terms of Commerce at any time with or without written notice to suppliers.

As a manufacturer doing business globally, TTC is committed to compliance with applicable laws, including, but not limited to [California's Transparency in Supply Chains Act 2010](#), the [United Kingdom's Modern Slavery Act 2015](#), [Australia's Modern Slavery Act 2018](#), and [Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2022](#). TTC expects Supplier to support that commitment.

Supplier certifies to TTC that its employment practices and work conditions are non-discriminatory and not detrimental to the health and well-being of its employees.

Failure to comply with the terms of this section may result in actions undertaken at TTC's sole discretion, including, but not limited to, the cancellation of any or all outstanding orders, without recourse from Supplier to TTC.

Fair Labor Standards Act

For all work performed within the United States, the District of Columbia, and all U.S. territories and possessions, Supplier agrees that its payroll practices are in compliance with the provisions of the [Fair Labor Standards Act](#) ("FLSA") and any relevant state law concerning pay, including but not limited to the minimum wage provision, the overtime provision, and the Family and Medical Leave Act, if applicable.

For work performed outside the United States, the District of Columbia, and all U.S. territories and possessions, Supplier agrees to comply with the wage payment laws of the government unit in which the Supplier is doing business.

Anti-Bribery Compliance

Supplier certifies that it will comply with the [U.S. Foreign Corrupt Practices Act](#) ("FCPA") and any other anti-bribery laws applicable to Supplier. Supplier also certifies it will comply with [TTC's Anti-Bribery Policy for Business Partners](#).

Customs Trade Partnership Against Terrorism ("CTPAT")

TTC is a certified member of the CTPAT program and is committed to global supply chain security. As part of that commitment, suppliers must comply with the principles and guidelines of the CTPAT program, established by the U.S. Customs and Border Protection (CBP).

CTPAT is aimed at strengthening international logistics security, focusing on the prevention of terrorism, smuggling, and other threats. TTC requires suppliers to implement and maintain security practices aligned with CTPAT's Minimum Security Criteria, provide access to documentation demonstrating compliance with these practices upon request, immediately report any incident or irregularity that may compromise supply chain security, and participate in security audits or assessments upon request.

All suppliers are required to complete and return the CTPAT Security Questionnaire.

Failure to meet these expectations may result in the suspension or termination of the commercial relationship.

Country of Origin (“COO”)

Marking

All goods supplied to TTC shall be accurately marked or labeled with their country of origin in accordance with the laws and regulations administered by the U.S. Customs and Border Protection and the Federal Trade Commission.

Supplier understands that it will be responsible for any fines or marking penalties issued by a U.S. agency, as well as any associated costs, including, but not limited to, costs incurred by TTC to remark the goods, such as labeling costs, warehousing costs, and expedited freight costs.

Certificates

Supplier shall provide TTC the country-of-origin certificates for all goods. All country-of-origin information must be provided electronically via TTC supplier portal. If the country-of-origin changes, the Supplier shall provide TTC a new certificate of origin within five (5) calendar days.

Documents for Customs Clearance

Supplier agrees to provide the following documents to our selected forwarder in country within five (5) days of vessel departure.

Supplier agrees to reimburse TTC for any charges incurred due to late delivery of documents including, but not limited to demurrage charges and expediting charges. Documents required include:

- Signed commercial invoice meeting TTC’s standard invoice requirements.
- Packing list in English clearly stating which part number is located in which box number.
- Bill of Lading indicating TTC’s import broker as the “Notify Party” on direct shipments where TTC is the importer of record (IOR).
- Any additional documents required by the United States Customs Service or any other governmental agencies.
- Documents to support claim for Eligibility for Special Tariff Treatment, if applicable.
- 10+2 Importer Security Filing (ISF) Rule: Supplier must provide all of the required data elements to TTC’s designated freight forwarder at origin (the company your firm arranged the booking through) no later than 72 hours prior to vessel loading at the origin country ocean port.
 - The required data elements are: seller name and address, ‘ship to’ party, manufacturers name and address, country of origin, container stuffing location, consolidator (stuffer) name/address, and Ocean bill of lading number that will be provided to you at the time of booking by the origin forwarding partner.

Eligibility for Special Tariff Treatment

Supplier shall provide TTC the required information/documentation if goods qualify for any special tariff treatment, including but not limited to [USMCA](#). USMCA certificates of origin are for a specified period of time, not to exceed 12 months and must be renewed annually by Supplier.

Upon expiration of a previous USMCA certificate, the Supplier shall provide a new USMCA certificate via the TTC supplier portal. If your products qualify for any other free trade agreements, please notify TTC's Sourcing Regulatory Manager and TTC's Commodity Team.**Standard Invoice and Packing List**

Supplier agrees to comply with TTC's standard invoice and packing list requirements as specified below:

- Provided in English language
- Name of the Seller
- Name of the Purchaser
- Description of goods
- TTC complete 10-digit purchase order or scheduling agreement number
- TTC part number(s)
- Quantities, weights, and measures must appear on the invoice and packing list (quantity invoiced must match the quantity received)
- Incoterms (rev 2020) (incoterm, named place, port, and destination)
- Country of Origin (COO)
- Purchase price and currency used for the purchase (price must match the price on TTC's purchase order or scheduling agreement)
- All charges and discounts including, but not limited to, assists and the value of any material, tooling or molds provided by TTC
- Any items shipped free of charge must include the commercial value of the items
- Importers must provide a description of the goods in sufficient detail to properly classify the goods under applicable customs laws. Certain 'special goods' requires specific additional information ([see Attachment A](#)).

Packaging and Labeling

Supplier shall package and label product provided to TTC in compliance with TTC Specification F-117, [TTC Packaging and Labeling Requirements](#).

Solid Wood Packing

Supplier shall provide solid wood packing that is ISPM-15 compliant per TTC Specification F-102, [TTC Wood Packaging Material Quality Standard](#), on all export shipments to any country where solid wood packing materials are used.

If no solid wood packing material is used, the Supplier shall certify on the commercial invoice or provide a separate certification stating the shipment contains no solid wood packing materials.

Supplier agrees to reimburse TTC for any charges, including but not limited to, demurrage charges or expediting charges, incurred as a result of not providing compliant solid wood packing.

Right of Inspection

Supplier shall allow an employee of TTC or designated representative of TTC to conduct an on-site inspection of the Supplier's production facilities, scheduled in advance by agreement of the parties during regular business hours and conducted in a non-disruptive manner. Failure to comply or refusal of inspection by a TTC employee or a designated representative, may subject all outstanding orders to cancellation.

Successors

These Supplier Terms of Commerce - and the instructions, requirements and policies incorporated herein by reference - may be updated periodically without additional notice given to suppliers. Supplier is responsible for monitoring these requirements. Supplier is deemed to certify acceptance of and compliance with any revisions by supplying parts to TTC after the revision date. These Supplier Terms of Commerce shall benefit and be binding upon the parties hereto and their respective permitted successors and assigns.

ATTACHMENT A (Pages 6-9)

***Special Commercial Invoice Requirements for The Toro Company (TTC)**

Merchandise Goods Types Requiring more information on the Commercial Invoice

Tubes, Pipes and Hoses of rubber	Indicate whether it is of vulcanized rubber. Specify whether with or without fittings. List any materials with which it is reinforced or otherwise combined.
Tubes, pipes, hollow profiles, tubes or pipe fittings (Iron or steel)	Describe the product by name tube, pipe, elbow, flange, etc. Describe the process by which the product is made - cast, hot-rolled, hot extruded, cold-drawn, cold-rolled, etc. Construction-welded or seamless- Describe any subsequent manufacturing or finishing processes the product is subject to, such as threading, threading and coupling, coating, machining, drilling, etc.
New Pneumatic Tires of Rubber	Indicate: a "herring bone" or similar tread.
Inner tubes of rubber	Indicate where the rubber inner tubes will be used.
Other articles of vulcanized rubber	Invoice must indicate it is made of vulcanized rubber. Indicate whether the rubber is cellular or non-cellular, natural or synthetic rubber.
Articles of cork	Indicate whether the cork is natural.
Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter pins, washers or similar articles of iron or steel	Name the article, describe if threaded or non-threaded. If threaded describe if having shanks or threads with a diameter of more or less than 6 mm.
Chain and parts of iron or steel	Specify type (articulated, roller, skid, stud, etc.), pitch in millimeters and number of parts per pitch.
Springs and leaves for springs of iron or steel	Describe the article - leaf springs and leaves, helical springs, etc. If helical springs are of wire include the cross-sectional dimension.
Nails, tacks, staples, screws, bolts, nuts, screw hooks, rivets, cotters, cotter pins, washers of copper or aluminum	Indicate: shanks, threads or holes over 6 mm in diameter.
Hinges and mountings of base metal	Indicate the type of metal and where it is used.

Internal combustion engines	Indicate what type (spark ignition, compression or other), where used and number of kilowatts of the engine.
Engine parts	Describe the part and the engine type it is for.
Liquid pumps	Indicate: pump is for movement of liquid or gases. State the primary use of the pump – material it is designed to transfer (fuel, hydraulic, oil, sludge etc.) Describe the operating basis of the pump (hand operated, reciprocating, rotary, centrifugal turbine or liquid elevator).
Oil, fuel or air filter	Specify what it filters.
Parts of machinery	Name of the part, what machine is it a part of, the function and use.
Valves and valve parts	Type of valve (pressure regulating, hydraulic/pneumatic, check, gate, globe, ball, plug, butterfly, stop, relief, solenoid etc.) Specify what it is made of. Indicate: device is manually operated or powered by some type of actuator (specify type of actuator).
Electrical transformers	Indicate the power handling capacity (Va, Kva etc.)
Electric Storage batteries	Indicate chemical composition of the battery, voltage and what its use is.
Electrical switches, relays, boards, wire and cables	Indicate voltage rating and if it has connectors.
Transmission shafts, crankshafts and camshafts	Indicate: for gasoline, diesel or rotary engines Specify the vehicle in which they are used.
Housed bearings (also see BEARINGS below)	Indicate type of housing (flange, cartridge, take-up, hanger or pillow block). Indicate: bearing is mounted or not.
Plain shaft bearings (also see BEARINGS below)	Indicate: single speed, multiple, speed or variable speed. If multiple or variable, indicate manually shifted or automatic.
Gears	Indicate: chain sprocket or tooth wheel.

Bearing and Bearing Parts* IN ADDITION TO DETAILS ON YOUR INVOICE, THESE REQUIRE THE COMPLETION OF A SEPARATE BEARING WORKSHEET:	
Bearings/Bearing parts	Name and address of the manufacturer. Type of Bearing - Ball, Roller, Combination Ball/Roller or Roller/Roller, Plain Shaft or Housed.
Ball Bearings	Indicate whether: <ul style="list-style-type: none"> • Integral Shaft: provide outside diameter in millimeters. • Thrust. • Linear. • Angular Contact: specify if wheel hub unit, and whether wheel hub unit is flanged. • Radial: provide outside diameter in millimeters, if multiple rows of balls, indicate whether double, triple, etc. Also indicate when radial bearings are maximum or full capacity type. • Other (e.g., clutch release bearings, ball and cage assemblies sold as complete unit, etc.), specify type. Note: If ball bearings are unground, this should be indicated.
Roller Bearings	Indicate whether: <ul style="list-style-type: none"> • Spherical • Tapered: provide outside diameter of cup in millimeters. Show whether these are cup and cone assemblies being shipped together in sets, or cone assemblies being shipped separately. Specify if wheel hub units and indicate if the wheel hub unit is flanged. • Needle, provide dimensions (length and diameter) of rolling element in millimeters • Cylindrical, provide dimensions (length and diameter) of rolling element in millimeters. Note: If roller bearings are linear, this should be indicated.
Combination Ball/Roller or Roller/Roller	Indicate types of elements: <ul style="list-style-type: none"> • Ball/Spherical Roller • Ball/Needle Roller, provide dimensions (length and diameter) of rolling elements • Ball/Cylindrical Roller • Needle Roller/Cylindrical Roller • Other, specify the particular elements present
Plain Shaft Bearings	Indicate: <ul style="list-style-type: none"> • Housed or unhoused

	<ul style="list-style-type: none">• Spherical or not
Housed bearings	Indicate: <ul style="list-style-type: none">• Type of housing, whether flange, take-up, cartridge, hangar units, or other type• Type of bearing incorporated and indicate information specified above for the roller elements of that particular type of bearing.
Bearing Parts	Indicate: <ul style="list-style-type: none">• What type of bearing is it a part of• Identity of part (i.e., cups, tapered roller, ball, ring, cage, etc.).• For balls indicate the intended use (i.e., ball bearings, CV joints).• For needles, provide dimensions (length and diameter) of rolling element in millimeters• Finishing Processes of Bearings/parts indicate if not completely finished, green, un-ground, etc.

Revision History

REV	DATE	SUMMARY OF CHANGE	SECTION	PARAGRAPH	CREATED BY
C	03/09/2021	General Update	All	All	J. Nelson
D	02/17/2022	General Update	All	All	J. Nelson
E	09/27/2024	Revised STOC	All	All	R. Sullivan
F	01/20/2025	Title Change	All	All	R. Sullivan
G	09/01/2025	Paragraph Added	CTPAT	CTPAT	R. Sullivan