FASTENAL®



WE ARE WHERE YOU ARE.

Table of Contents

Company Overview	1
Key Competitive Advantages	2
Cost Savings Opportunities	3
Product Overview	4
National Accounts Programs	5
Industry Sales Specialists	6
E-Business	7
Fastenal Services	8-15
Manufacturing Services	8
Product Services	g
Core Inventory Management Programs	10
Key Fastener Programs	11
Fastenal Managed Inventory	11
Fast Solutions	12
Fast Crib	13
Implementation	14
Industrial Services	15
Engineering Services	15
Quality Management System	16
Quality Assurance Lab and Equipment	16-17
Training	18
Supply Chain Diversity	19
Green Resources	20



A Tradition of "Growth Through Customer Service"

The Fastenal story began in November 1967 when Bob Kierlin opened the first Fastenal store, a 1,000-square-foot shop in his hometown of Winona, MN. It was a humble beginning, but the company eventually found its niche as a supplier that earns opportunities by exceeding customers' expectations for service — an approach summed up with four words: *Growth Through Customer Service*. Guided by this motto, we grew from a small-town store ... to an up-and-coming regional business ... to North America's largest fastener company ... to the world's most efficient supplier of OEM, MRO and construction products.

Today, as always, we believe great service starts with being close to our customers. That's why we operate 2,700 stores worldwide, far more than any other industrial supplier. You'll find Fastenal stores in cities like Houston, Indianapolis, Atlanta, Toronto and Shanghai. You'll also find them in smaller communities like Chowchilla, California; Greenville, Alabama; and Thompson, Manitoba. But what really matters is that you'll find a Fastenal store near *you* – ready to stock your products, manage your inventory, respond urgently, and provide the kind of customer service you just can't get from a catalog or 1-800 number.

Local People and Product

Each Fastenal store functions as a true entrepreneurial business, supported by our world-class sourcing, quality, manufacturing and logistics resources. Because we're local, we're able to:

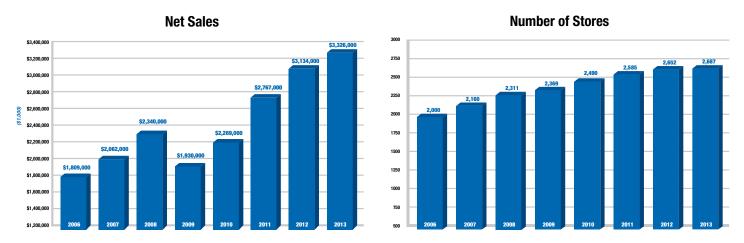
- Make deliveries and regular service calls
- Anticipate your usage patterns and upcoming production needs
- Stock high-use and critical supplies locally (so you don't have to)
- Manage your inventory
- Provide sourcing assistance
- · And think on our feet to solve problems and suggest improvements

"Fastenal has leveraged its vast product selection and efficient distribution network into decades of profitable growth. This wide-moat firm continues to turn out new stores, dominate the fastener niche, and take share in a highly fragmented market."

- Excerpt from a Morningstar analyst report ranking Fastenal among the "20 Best Companies in the World"

Financial Overview

A member of the S&P 500 index, Fastenal [Nasdaq: FAST] generated revenues of \$3.33 billion and net income of \$449 million in 2013. With minimal debt, robust market capitalization, and decades of consistent growth, we're able to drive aggressive improvement and scale our service to meet virtually any need.



View Fastenal's most recent annual report at http://investor.fastenal.com/annual-proxy.cfm

Why Fastenal?

LOCAL PRESENCE.

We provide *local* people, products and service through our network of 2,700 stores spanning the U.S., Canada, Mexico, and 20 other nations.

DISTRIBUTION.

Product is stocked locally and in the nearest of 14 regional distribution centers to reflect local usage patterns and upcoming production needs. We operate a fleet of semis, straight trucks, sprinter vans and local delivery trucks – 6,000+ vehicles in all – to ensure a consistent flow of product from our manufacturer partners, to our hubs, to our stores, to your facilities.

QUALITY.

Our ISO 9001:2008 Quality operations include multiple levels of product testing in our six ISO 17025 (A2LA) labs; stringent supplier selection, testing and monitoring procedures; and some of the most experienced Quality personnel in the industry. Learn more on pages 16-17.

SOURCING.

We have multiple teams of auditors, engineers, and lab technicians on the ground working directly with approved manufacturing partners worldwide to ensure consistent quality and delivery at a competitive price. Learn more on page 9.

MANUFACTURING.

With 10 locations, 300+ skilled machinists, and approximately \$60 million worth of capital equipment, Fastenal Manufacturing produced nearly 70,000 jobs in 2013 – each one a solution for a customer in need. Learn more on page 8.

PRODUCTS.

In 2013, Fastenal supplied nearly 1.45 million different MRO, Construction and OEM products, representing countless customer solutions and vendor consolidation opportunities. View our product categories on pages 4-5.

VENDOR MANAGED

Our local presence enables us to tailor, implement and actively support inventory management solutions for your facilities – from MRO bin-stocks, to production line systems, to in-plant and jobsite solutions. Learn INVENTORY. more on pages 9-13.

VENDING.

With more than 40,000 machines installed at customer sites, Fastenal is far and away the largest industrial INDUSTRIAL vending company in the world. Our local personnel handle every aspect of our vending programs, including installation, training, repairs and ongoing replenishment. View our lineup of automated supply solutions on page 12.

SERVICES.

At Fastenal, we don't just provide quality products; we offer a spectrum of services to support our product lines – from tool repairs and parts kitting, to lab testing and engineering/design support. Learn more on pages 8-15.

We're an extremely stable business partner with the resources to invest aggressively in things that make a GROWTH. *difference* for our customers.









Cost Savings Opportunities

- Vendor Consolidation. As an efficient single source for thousands of corporately approved supplier partners, Fastenal can help you leverage spending and streamline costs for a vast range of OEM, MRO and Construction supplies.
- VMI / Vending. Your servicing store(s) will stock product locally and keep just the right amount flowing to your points of use, eliminating costs associated with stockouts, rush orders and excess inventory. Our industrial vending solutions have the added benefit of reducing product consumption, typically by 25–35%.
- "... the greatest advantages we see come from the willingness of Fastenal to join with us in designing additional programs that are innovative and beneficial for both parties. ... Heil Trailer International considers this partnership to be a model for our other suppliers. Thank you, Fastenal team!"
- Jim Ziegler CPM, MBA Senior Buyer Heil Trailers
- Special Programs. Our national, government and key accounts programs are tailored to drive total cost savings and organizational goals.
- Reduced Freight Costs. Our company-owned transportation fleet enables us to move product efficiently and economize freight expenditures for our customers.
- Product Standardization/Substitutions. Your Fastenal account representative can identify redundant requests and cost-saving conversion opportunities.
- Exclusive Brand Conversion. Made by best-in-class domestic and global manufacturers, our exclusive brand product lines present opportunities to reduce cost without sacrificing quality.
- E-Business Solutions. We offer a range of solutions to minimize paperwork, processing time, and administrative costs.
- **Dedicated Local Service.** Your facility will be serviced by a dedicated local store team that will tailor its inventory and service to support *your* business goals.

Documented Cost Savings

Fastenal can provide monthly cost savings reports documenting our progress towards a mutually agreed upon cost reduction goal. Direct and indirect cost savings are reported through our point-of-sale (POS) system, which will track our progress towards your cost reduction target on a daily basis. Some of the metrics typically targeted for cost savings reporting include:

- Hours saved in receiving
- Hours saved in disbursement
- P.O.s reduced as result of blanket P.O.
- Invoicing savings via EDI transactions
- Material substitution
- OEM part conversion

- Longer product life
- Plant surveys
- Training seminars
- Emergency service
- Inventory reduction
- Committed store inventory

Product Overview

In 2013 Fastenal supplied products spanning nearly 1.45 million unique stock-keeping units (SKUs). This includes 170,000+ "standard" part numbers that are well supported throughout our distribution system, along with hundreds of thousands of semi-standard and customer-specific items. Below is a listing of our standard product categories.

Fasteners

Bolts Set Screws Sockets Screws Nuts Washers

Retaining Rings & Clips Security Fasteners

Rod Strut, Clamps, & Hangers Thread Repair Riveting & Self Clinching Products Hardware



Chemicals & Paints

Adhesives Cleaners, Degreasers, & **Electrical Cleaners** Floor & Surface Care Chemicals Repellants & Pest Control Lubricants, Penetrants, & Corrosion Inhibitors **Grease Products** Paints, Marking, & Accessories

PVC Pipe Chemicals HVAC Chemicals Repair Chemicals Silicones, Caulks, & Sealants Threadlocking Chemicals



Janitorial

Cleaning Products Cleaning Equipment Wiping Products Receptacles & Liners Mops & Mopping Equipment Brooms, Brushes, & Dust

Pans

Squeegees & Window Cleaning Equipment Cleaning Hardware Food Service Disposables Restroom Care



Power Transmission & Motors

Mounted Bearings Unmounted Bearings Bearing Components Bearing Heaters & Accessories Pullers & Accessories Slide Hammers & Accessories Linear Motion Bushings Drive Belts Sheaves & Pulleys Chain & Sprockets

Collars, Couplings & Components Seals & Accessories Grease Fitting Products Grease Guns & Accessories Shims & Shim Stock **HVAC Motors &** Accessories Motors Motor Accessories



Raw Materials

Ball Stock Bars Angle Products Foil Products Precision Blanks & Raw Blanks Sheet Stock Material

Wire Products Tubes & Tubina Extruded TSlot Bars & Accessories Industrial Flooring Products Trim & Seals

HARDWARE

Cans and Plugs Hardware Supplies Hasps, Hinges & Latches Electronic Hardware Spring Products Door Products **Lumber Connectors**

Grommet Products Shelf Brackets Locking Systems & Components



Tools & Equipment

Cordless Power Tools Corded Power Tools Power Tool Accessories Hand Tools Hand Tool Storage Air Tools & Accessories Powder Actuated

Systems & Accessories Power Equipment

Landscaping Tools & Outdoor Equipment Clamping & Holding Measuring, Leveling, Testing, & Inspection Flashlights & Batteries Jobsite Preparation & Coverings



Cutting Tools & Metalworking

Holemaking & Drilling **Turning Products** Milling Products Threading & Tapping Metalworking Fluid Products

Metalworking Chemicals **Band Saw Blades** Countersinks & Center Drills Reamers

Broaches & Accessories Tooling Components **Toolholding Systems**

Metalworking Hand Tools Precision Measuring Metalworking Machinery Metalworking Machinery



Accessories

Lifting & Rigging

Cable & Accessories Chain & Accessories Cranes, Trolleys, & Accessories Eye Bolts & Eye Nuts Festoon Kits & Accessories Hoists, Lever Tools, & Cable Pullers Jacks & Accessories

Lifters & Accessories

Lifting Beams & Clamps Lifting Hardware Lifting Hooks & Attachments Rigging Hooks & Attachments Rope & Rope Accessories Slings & Accessories Winches & Winch Accessories



Office Products & Furniture

Office Supplies Partitions & Accessories Filing Cabinets & Accessories Mail Sorters & Accessories Bookcases & Accessories Computer Stands &

Desks & Accessories Office Chairs & Accessories Coat Hooks & Racks Tables & Chairs Podiums & PA Systems Moving Products

ASPECT

Lighting

Ballasts & Accessories Circuit Track & Accessories Emergency Lighting & Accessories Fixture Accessories **Fixtures**

Lamps

Outdoor Lighting & Accessories Recycling Kits Sensors & Accessories Work Lights & Accessories

Look for these exclusive brands, available only at Fastenal.

Safety Eye Protection

Head Protection Hearing Protection Respirators Hand Protection Protective Garments Foot Protection Ergonomics Fall Protection Confined Space Equipment Locking & Tagging Facility Identification Matting Spill Containment

Safety Storage Cabinets & Containers **Jobsite Communications** & Security Traffic Control Products Fire Protection First Aid & Emergency Products **Hydration Products** Law Enforcement & Secure Facility

Body Guard SAFETY GEAR AGENT

Electrical

Power Cords Plugs, Receptacles & Connectors Terminals & Wire Connectors Wire Management Electrical Wire & Accessories

Industrial Controls Fuses & Breakers Conduit & Accessories **Electrical Tools** Data, Voice & Video Components Solar Products

Plumbina

Pipe Fittings Pipe & Pipe Accessories **Tubing & Accessories** Valves & Valve Accessories Flanges, Gaskets & Materials Pipe Equipment Drains & Accessories Drain Cleaning & Accessories Plumbing Pumps & Equipment Faucets & Faucet Repair Fountains, Sinks & Accessories Shower Accessories Toilets & Accessories Water Heaters & Accessories Restroom Hardware Water Filters & Accessories Hose & Hose Products



Welding

Welding Helmets & Eye Protection Safety Clothing & Equipment Welding Chemicals Welding Cable & Accessories Welding Tools & Support Components

Welding Rods & Wire Soldering Products Consumables Gas Apparatus Welding & Cutting Machines



Material Handling, Storage & Packaging

Storage Equipment Tool Crib Management Systems & Accessories Drums & Drum Handling Equipment Ladders & Work Accessing Equipment Casters & Wheels

Tape Levelers, Noise & Vibration Control Packaging Products Workbenches, Work Tables & Accessories Counters & Cabinet Systems



Abrasives

Diamond Abrasives Bonded Abrasives Coated & Non-Woven Abrasives Production Abrasives **Brushes & Deburring** Products Carbide Burr Products Buffina & Polishina Products Files Sand Blasting Equipment & Accessories Abrasive Accessories



Hydraulics & Pneumatics

Fittings Hose & Hose Products Tubing & Tubing Accessories Clamps & Collars Air Preparation Pressure Gauges & Accessories Valves & Accessories

Flanges, Gaskets, & Rings Actuators & Cylinders Crimping Machines & Accessories Pumps & Accessories



Fleet & Automotive

DOT Fittings **DOT Hose & Tubing** Air Line Products Fleet Electrical Products **Batteries & Accessories** Fleet Filters & Accessories Driver & Vehicle Compliance Products Towing & Cargo Control Tire & Wheel End

Fleet Replacement Parts Automotive Fasteners Automotive Specialty Tools Shop Equipment Fluid Transfer Products Automotive Chemicals Dock & Trailer Equipment Truck Boxes & Vehicle

NORTHWAY

HVAC

Products

Filters A/C & Refrigeration Air Treatment Heating Equipment Ventilation **HVAC Test Instruments** **HVAC Tools HVAC Controls** Valves & Accessories

ProFitter.

Mil-Spec

HAVE SPECIFIC PRODUCT NEEDS? LOOK FOR THESE ICONS WHILE YOU SHOP.



Fastenal Green Product (Certified or Non-Certified)



Supplier Diversity



TAA Compliant



Manufactured in the USA

Fastenal Exclusive Brands

Through our close partnerships with best-in-class domestic and global manufacturers, Fastenal has developed well over 30,000 exclusive brand products spanning most product categories. These items balance high quality and competitive pricing, representing excellent conversion opportunities.

Agent[™] – safety products Aspect® - office products & packaging Blackstone® - welding & abrasives Body Guard® - safety & personal protective equipment Clean Choice® - janitorial **DynaFlo**[™] – hydraulics, pneumatics & lubrication EquipRite® - material handling **FMT**[™] – metalworking & cutting tools **FMT Element**[™] – carbide tools (FMT sub-brand) **FNL®** – fasteners (including EcoGuard[™] coated product) **HOLO-KROME®** – critical application fasteners

Northway™ - fleet & automotive Power Phase® – electrical **ProFitter**[™] – HVAC & plumbing **Regiment**[™] – hardware **Rock River**[™] – construction

Stronghold™ – power transmission **Talon**[™] – chemicals

Tritan™ - precision measuring

"It's the location of the stores that helps us out, because they're everywhere. The other thing is delivery. We've ordered stuff when we're in the middle of nowhere and [Fastenal has] brought it out to us."

- Jake Bernhardt Chief Engineer, U.S. Army Corp of Engineers

National Account Programs

Fastenal offers national accounts programs for customers who have multiple locations and can meet minimal spend requirements. These programs offer a compelling value proposition: consistent contract pricing and dedicated corporate support, backed by tailored local service and inventory for each location.

Corporate Support

Each national account is assigned a dedicated corporate support team, including an account representative located near the customer's corporate headquarters. Serving as a main point of contact for headquarters as well as all of the servicing Fastenal stores, this specialist works to ensure that each location benefits from a seamless implementation, consistent pricing and service, and quality account reporting.

Local Service - Worldwide

Products are stocked locally and regionally to anticipate demand, and service is tailored to meet local requirements. Fastenal currently operates more than 2,700 sales locations in the nations listed below, and we service customers in many additional countries. We will continue to open new locations to provide local service for our customers worldwide.

Singapore

Sweden

Thailand

• South Africa

• U.K. (Britain, Wales, Scotland,

N. Ireland)

- USA (all 50 states,
 Germany Puerto Rico, Guam) • Hungary
- Brazil
- Canada
- China
- Chile
- Colombia
- Czech Republic
- Dominican Republic
- India
- Italy
- Malaysia
- Mexico
- Netherlands
- Panama
- Poland
- Romania

Emergency Service

Each facility will be provided with emergency contact information to reach local Fastenal representatives outside of standard store hours (7 a.m. to 5 p.m, Monday through Friday).

Daily Delivery

Delivery service is available from most Fastenal stores on a daily basis. Items stocked in the local Fastenal store can be delivered same-day. The typical delivery time for catalog items stocked in the store's servicing distribution center is 24 to 48 hours. Less common catalog items stocked in Fastenal's master distribution center in Indianapolis, IN are available within 3 to 5 days.

Reporting

National account customers can choose to receive our Executive Summary Report on a monthly or quarterly basis. This report includes:

- Total Spend
- Spend by Concept
- Spend by Division
- Accounts Receivable
- Spend by Account
- Cost Savings
- Inactive Accounts
- Spend by Account Specialty



Industry Specialists

As a complement to our local store sales force, Fastenal offers hundreds of industry specialists to provide high-level support in key areas of our business, including:

Safety

To support our safety product offering, we've positioned 40 trained Safety Specialists across the U.S. and Canada. These personnel carry multiple certifications, including Masters in Occupational Health and Safety, QSSP Certification, OSHA 30-Hour Training, and many more. Their job is to identify hazards, document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to create a safer, more productive workplace.

Working with our key safety suppliers, Fastenal's Safety Specialists provide trainings and PPE equipment assessments for the following concepts:

- Eye Protection product selection/rationalization, fit testing
- Hearing Conservation fit testing
- Face and Head Protection
- Respiratory Protection qualitative fit testing
- Skin Care Needs Analysis prevention/reduction of occupational dermatitis, reduction in sick days
- Hand Protection job-specific assessments, product testing
- Fall Protection application assessment, harness/lanyard inspection, competent person training
- Hoist and Sling Inspection and Certification
- Heat Stress Evaluation program development
- Spill Containment and Flammable Storage
- Lock Out/Tag Out Program





Manufacturing/Metalworking

As part of our metalworking product expansion, we've trained and deployed 50 Metalworking Specialists across North America. These individuals have undergone three levels of training, culminating with intensive hands-on training at our key suppliers' facilities. They work directly with customers to help them select the best products for the job and run them for maximum productivity and cost-effectiveness.

Lean Six Sigma

Fastenal's Sensei, Black Belts and "Blue Belts" are available to participate in Lean events and support your Lean initiatives. Services include DMAIC Process Mappings — working with your personnel to map the movement of product through your current system and identify areas where costs can be reduced or eliminated. Based on the information gathered, a gap analysis is presented along with a business plan to achieve a specific cost savings goal. Implemented solutions include kanban, just in time (JIT), 6S, industrial vending, point-of-use delivery stations, and other Lean Six Sigma concepts.



E-Business Overview

Our ever-evolving website is designed to provide fast searches, dynamic product information, and tools that eliminate process steps and improve spending control. Here's a look at some of the time-saving features you'll find at www.fastenal.com:

Custom Pricing

View your contract pricing while shopping

• Advanced Permissions Settings

Set employee purchase limits; automatically route specified users' orders for approval

• Electronic Invoicing

View invoices online and print them when you're ready to pay

Edit and approve store quotes without re-typing data

Flexible Search

Search by your company's part numbers, manufacturer part numbers, or Fastenal part numbers. Apply filters to identify special product needs (e.g., green, diversity, specific manufacturer)

Store Availability

See whether the product is in stock at any of the Fastenal stores you do business with

• Advanced Reporting

Including usage reports, cost savings reports, and vending reports (showing vending usage information along with transaction detail/summary reports by machine, helix location and user)



E-Business Integration

We can integrate with your system to support seamless communication between our companies. Whether we connect through a B2B connection, a portal, or our FastConnect Punchout platform, the business results are the same: paperless transactions, lower administrative costs, and clear visibility into usage. Suggested VMI replenishment orders can be captured by your system with lineitem detail. This is a quote-to-order method – simply review the order and edit or delete quantities as you see fit, without having to re-type data.

Our integration solutions are built on open industry standards (OCI, cXML, xCBL and Punchout), and we offer integration via most leading e-business systems and portals, including:







... and many more

Manufacturing Services

Custom Manufacturing

From complex machined parts and large-diameter bolts, to high-volume production fasteners – if you need custom-manufactured product, Fastenal can provide a fast, high-quality solution through one of our 10 manufacturing locations:

North America Winona, MN; Modesto, CA; Wallingford, CT

(HOLO-KROME); Rockford, IL; Indianapolis, IN,

Houston, TX; Edmonton, AB

Europe Brno, Czech Republic

South America Joinville, Brazil

Asia Johor, Malaysia

We offer a spectrum of raw materials and coatings to meet your needs, with quality ensured by our field engineers, lab technicians, ISO 9001:2008 operations, and in-house A2LA labs. Our core capabilities include:



Machining – With nearly 200 units of CNC equipment, we can quickly produce machined and turned parts, including highly complex items made from exotic materials and designed for very specific purposes.

Hot Forging – Our capabilities include bolts and studs up to 4" in diameter, with the ability to forge exotic materials like Inconel, Monel, Hastelloy and Titanium.



Cold Forming – Through our cold heading facility in Rockford, Illinois and our HOLO-KROME facility in Wallingford, Connecticut, we operate more than 70 cold headers capable of producing more than 30 million parts per week.

Additional processes - Bending, Threading, EDM and Water Jet Cutting.

Tool & Cutter Grinding – Utilizing state-of-the-art 5 and 7 axis CNC cutter grinders, we completely re-sharpen end mills, step mills, reamers, and many other H.S.S. and carbide cutting tools. We also manufacture specialized tooling, including step drills and made-to-print cutters.

Metals, Alloys & Materials Services – Save labor, storage space, and equipment wear-and-tear by having Fastenal deliver your material in pre-cut lengths to suit your needs. We can maintain local inventory to anticipate your demand and deliver your pre-cut material when and where you need it, with no minimum order.



Product Services

Custom Packaging/Parts Kitting

With 10 packaging facilities, including a facility within a free trade zone (Shanghai, China), we can kit, bag, barcode and label product to meet your needs, speeding production time and increasing traceability.

Product Sourcing / Import Services

Your servicing Fastenal stores can tap into thousands of corporately approved domestic and international suppliers to quickly source products that meet your needs for quality, price and delivery.

Looking for a low-cost-country manufactured solution? Simply provide a print or sample to your local store to set our vast global sourcing machine in motion. We'll work with our approved global supplier partners to provide a fast, competitive quote, with quality ensured by our internationally-based auditors, engineers and A2LA-accredited quality labs (including labs in Shanghai, Malaysia, Taiwan and Czech Republic).

Core competencies – customer per print parts:

- Machined parts
- Fasteners
- · Injection molded parts
- Castings
- Stampings

- Metal fabrications
- Forgings
- Bearings
- Rivets
- Steel and S/S balls
- Fittings
- Kitted components
- Other commodities (e.g., casters, wire rope, slings and gloves)





Services include factory audits, procurement, two levels of testing and inspection (pre-production/first article and pre-shipment), and customs clearance. This truly is a turn-key service: Pre-production samples are approved by *your* engineering team prior to mass production, Fastenal (the importer of record) assumes all risk until the product is delivered, and the local Fastenal store is the primary contact throughout the entire process.

Inventory Management

The foundation of our flexible inventory management programs is our local presence – understanding your usage patterns and production needs, keeping product stocked locally and regionally to anticipate your demand, and continually providing just the right amount, when and where it's needed.

Key benefits:

- Up to daily inventory turns to support your inventory reduction goals.
- Our ability to deliver to the point of use means less inventory build-up, fewer touches.
- Emergency inventory can typically be delivered within the hour.
- Bar-coded inventory, with accurate item tracking by location or GL code.
- Reduced paperwork via a touch-less reordering process (blanket P.O.s, P-Cards, etc.).
- FMI bin-stock program free bins based on a clear, up-front service agreement.

"Since we've transitioned to Fastenal, our VMI issues have disappeared. Fastenal is always working on improving the layout, reducing inventory and working with the production workers on what can be changed to make their work easier. Their ability to communicate with production, engineering and purchasing also makes them very good. One of their strongest traits is that their employees take great pride in their work. Caring in what you do is not an act at Fastenal."

- Mike Schaefer Strategic Buyer Kalmar Industries, Ottowa, KS

Core Inventory Management Programs

When it comes to inventory management, we live by two rules: never over-stock you, and never let you run out. Beyond that, it's up to you – your program will be tailored to support *your* operation and business goals. Here's a look at some of our core capabilities:

Dock-to-Dock

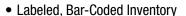
Product is delivered by Fastenal personnel, on Fastenal trucks, according to a predetermined schedule – a good fit for union shops, high-security environments, and other sites with limited access.

Bin-Stock/Line-Stock

Local Fastenal personnel organize and bar-code your stock areas, work with you to establish min/max reorder triggers, and continuously monitor and replenish your stocking locations to stay within your target inventory levels.

Can include:

- Daily Delivery
- Dedicated Store Inventory
- Dedicated Specialists
- Detailed Usage Reports
- Inventory Management



- Material Handling Functions
- · Receiving Functions
- Bin System Design Based on Lean Best Practices



In-Plant Location

Looking to make our local service even more local? If it makes business sense, we can implement a point-of-sale location (essentially a Fastenal store) within your facility, managed by dedicated Fastenal personnel.

Can include:

- CAD Layout for Storeroom
- · Consolidated Invoicing
- Continuous Improvement Plan
- Cost Savings Documentation
- Custom Software
- Dedicated Store Inventory
- Disbursement Functions
- EFT/EDI
- Inventory Management
- Labeled, Bar-Coded Inventory
- Material Handling Functions

- On-Site Inventory Specialists
- On-Site Product/Fastener Training
- Parts Kitting/Custom Packaging
- Vending Solutions
- Receiving Functions
- Integrated Supply
- Storeroom Organization
- Tool Crib Management
- Tool Repair, Regrind & Calibration
- Usage/Accountability Reports



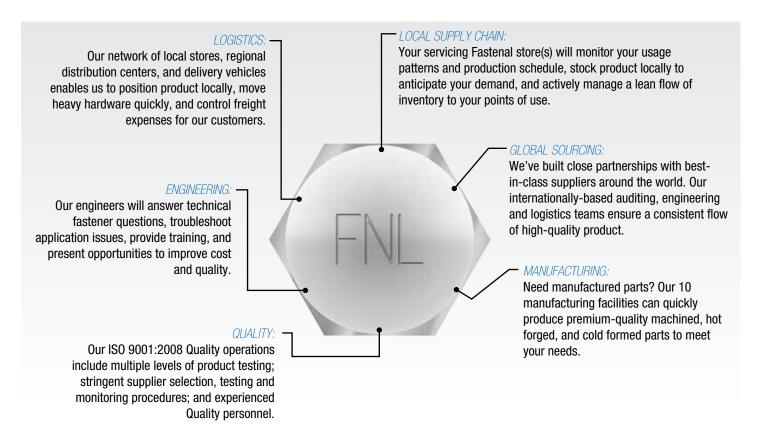


Jobsite Solutions

As a solution for remote projects (construction, outages, etc.), we can tailor a jobsite trailer, Conex, or gang box managed by local Fastenal personnel and continuously stocked with needed supplies. No matter where the job takes you, there's a local Fastenal store to keep the product flowing.

OEM Fasteners

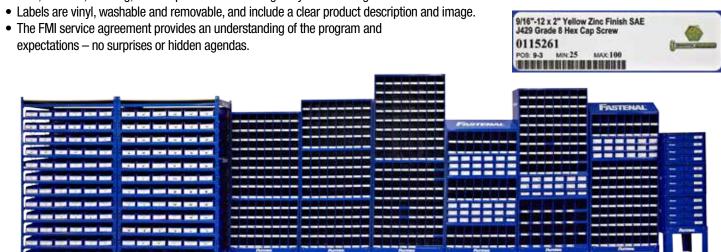
Fastenal is the largest distributor of threaded fasteners in North America and a leader in turn-key implementation of production fastener inventory management programs. To support our thousands of OEM customers around the world, we've developed the industry's most secure and efficient supply chain, with all sides covered ...



Fastenal Managed Inventory (FMI)

Through our FMI bin-stock program, Fastenal provides a wide variety of professional bins, shelves and drawers at no cost as part of a clearly defined minimum spend commitment. Backed by local Fastenal store service, it's a turn-key solution to improve organization and productivity.

• Bins, drawers, shelving, etc. are provided and managed by the servicing Fastenal store.



FAST Solutions



Fastenal's industrial vending solutions provide point-of-use access to supplies, along with access controls and detailed usage reporting to drive consumption reduction. The machines are provided, installed, maintained and replenished by local Fastenal personnel. There are no long-term commitments or capital expenses, only a low annual software hosting fee and a minimum monthly spend requirement.

- **Reduce Consumption** typically 25–35% as a result of the machines' controls and reporting.
- Increase Productivity by making product immediately available, 24/7, near the workers who need it.
- **Automate Ordering** your local Fastenal store monitors inventory online and makes sure the machines are always filled (a hands-free, paper-free process).

Which Solution Is Right for You?



FAST CT™ MACHINES

Designed to dispense inserts and round tools (individually or in packaged amounts). Low-cost and compact, they represent an opportunity to install point-of-use solutions throughout the shop.

Lockers

FAST 5000[™]

Utilized by thousands of

customers to track and

control a vast range of

industrial consumables.

Can be added to a base FAST 5000/3000 or a stand-alone controller to to vend larger items and manage assets. Available in 3, 12, 18, 27, 30 and 36 door options.



FASTBev[®]

Makes hydration products easily accessible and documents that employees are receiving proper hydration throughout the day. (Subject to local & state restrictions)

FAST 3000[™]

Offers the same functionality as the FAST 5000 but with a more compact footprint and lower spend requirement.

FAST 10000SL[™] Series

Utilizes sensor-driven modules (shelves, drawers, cabinets and bins) to control a large volume and variety of parts. The user simply enters his/her ID and, if authenticated, takes what's needed. The system automatically senses and reports the details of the transaction.

FAST Cribsm

As an extension of our automated supply solutions, Fastenal offers web-based crib management software known as FAST Crib. This solution provides enterprise-wide visibility of your inventory and stocking locations, your asset status and locations, and your maintenance management planning cycle. It also serves as an advanced e-procurement platform to manage all of your suppliers.

The user-friendly dashboard supports multiple classes of users within your organization – tool crib attendants, maintenance team, engineering, purchasing and requisitioning, as well as supervisors at any level.



The 3 Core Modules of FAST Crib:

Inventory & Asset Management

- Easily load and maintain a database of all items (including non-Fastenal items)
- Support for min/max and kanban
- Dashboard displays on-hand, onorder, min/max by location
- Track usage to specific users and cost centers

Procurement

- Manage all of your suppliers
- Create RFQs with deadlines and supporting information
- Issue POs and create requisitions
- View real-time status of orders and updates
- Establish automatic order replenishment for critical items (eliminate stock outs)
- Manage spot buys
- Add supplier and OEM databases with contract pricing
- Pre-loaded with a 325,000-SKU Fastenal database

Maintenance Management

- Set preventative maintenance schedules
- Track true costs of your maintenance cycle, including labor, parts and downtime
- Time-stamp digital signatures for compliance and reporting purposes
- Create a digital library of OEM manuals, schematics and warranty tracking
- Log hours for critical items like gauges and inspection items
- View repair history by asset and work order

Integrated Supply

Fastenal offers a fully integrated supply model powered by FAST Crib. Through this offering, dedicated Fastenal personnel take on the burden of managing other suppliers and their inventory, harnessing the "horse power" of Fastenal's world-class distribution system to minimize your total cost of ownership. Fastenal and your company are able to leverage FAST Crib within a collaborative, user-friendly environment to manage inventory, requisitions, purchase orders, and even maintenance work orders.

- Management View summary or detailed usage reporting by department, employee and/or cost center
- Crib Fastenal controls and tracks assets, sets scheduling for calibration
- Purchasing Fastenal manages orders and suppliers
- Plant Maintenance Create and "own" a maintenance management program
- Manufacturing Track, control, manage and replenish durable assets and MRO needs
- Engineering Source and requisition products for upcoming projects

Each integrated supply solution is unique and will require a detailed RFP to define the scope and responsibilities. Fastenal will work directly with you to determine baseline metrics, goals, savings potential, timelines, responsibilities and implementation.

Implementation

To ensure a fast, seamless and risk-free transition for our customers. we've deployed dedicated implementation teams throughout the U.S., with additional teams in Canada, Mexico, and other international locations. With more than 125 implementation specialists overall, Fastenal completed nearly 1,500 large-scale implementation projects in 2013.

Our top priority during implementation is to ensure zero supply chain interruptions. Beyond that we'll work to implement a program that drives value to your organization in four basic areas: increased revenue (improved productivity), decreased assets (inventory reduction), reduced **expenditures** (freight, administrative costs, etc.) and long-term **process** controls.

Implementation involves collaboration on the national and local levels (including the local Fastenal personnel who will ultimately be servicing your locations) – all coordinated through a dedicated Implementation Project Manager to ensure open communication and a consistently high level of service across your organization.

The following is a typical implementation timeline once the agreement is signed:

30 Days:

Evaluate, organize and set up stocking systems Communicate all pertinent inventory information Inventory analysis

Evaluate new inventory commitment at the local Fastenal store

30-60 Days:

Individual site visits Facility tours and process mapping Discuss program goals, gather local site contact information Evaluate individual site needs with key personnel Create Gantt chart and task trackers Local Fastenal store feedback/implementation surveys

60-90 Davs:

Identify path forward for problem sites Complete transition Full compliance within 90 days

Creating Flow, Eliminating Waste

Fastenal's team of Lean Six Sigma Sensei, Black Belts and Blue Belts can work with your team

to map the flow of product through your facility and identify bottlenecks, extra steps, and other sources of waste. You'll be presented with a clear business plan to create flow, eliminate waste, and achieve clearly defined cost reduction goals.







Implementation will be scheduled upon contract completion. Basic implementation includes introductory meetings and site surveys to determine stocking and service requirements. This phase is normally completed within two to four weeks. Inventory analysis, reporting criteria, cost savings documentation and quality assurance requirements are implemented as required. Routine labeling and basic implementation are included in our service package. We offer a full line of material storage and handling equipment at competitive pricing.

Industrial Services



Custom Chain Sling Fabrication & Inspection

We fabricate all chain sling types and can help you design specialty slings to suit your needs. We also offer free chain sling inspections that satisfy OSHA requirements.



Cut-to-Length Metal, Chain & Cable

Save time, space and money by ordering what you need, when you need it.



Hose Fabrication

We can cut, assemble, crimp, test and label virtually any type, quantity or length of hose you require, from low pressure air hose to high pressure hydraulic hose.



Tool & Hoist Repair & Certification

Fastenal is an authorized service center for most leading brands of electric, cordless, pneumatic, and powder actuated tools. We also service nailers and pipe threaders as well as electric, pneumatic, manual and lever hoists. Tools and hoists can be regularly serviced as part of a scheduled program.



Weld-to-Length Bandsaws

Bandsaw blades can be worked to your specifications and delivered to your location. More than 800 sizes and types are stocked in our distribution centers for fast lead times.



Calibration & Repair

Fastenal's in-house A2LA-accredited calibration lab provides repairs and complete mechanical and chemical analysis of customer-provided products. Testing is conducted to internationally recognized standards (ASTM, SAE, ASME, ISO, DIN, etc.) as well as customer-required specifications..

Engineering Services

Engineering & Design Support

Fastenal's in-house team of engineers can provide consultation and testing to help you make the best possible fastener selection, application and design decisions. Services include:

- **Technical Questions.** Accurate, timely responses to fastener-related questions.
- Bolted Joint Design Analysis. If you have assembly issues or joint service problems, we have solutions.
- Fastener Failure Analysis. Utilizing our in-house A2LA lab, we can determine the root cause of failure and provide recommendations to prevent future failures.
- **Application-Specific Testing.** We offer torque-tension testing, customer-designed testing, and other fastener-related tests to help you avoid problems down the road.
- **On-Site Fastener Trainings.** Customized on-site trainings to help your personnel reduce assembly time and minimize field failures.
- Product and Process Analysis (Teardowns). We can analyze your product and process to identify opportunities
 to standardize fastener usage, convert to less expensive alternatives, and ultimately reduce production costs without
 sacrificing quality.



Quality Management System

Quality is deeply rooted in our company DNA. We were founded by a mechanical engineer in 1967. We were among the first in the industry to implement full product traceability (many years before the Fastener Quality Act was passed into law). We have been ISO quality registered since 1994. And we received our first A2LA lab accreditation in 1998.

Today, our corporate functions are centered on the ISO 9001:2008 standard, and we're registered at locations worldwide, including each of our distribution centers, our FASTCO (global sourcing) operations, and our manufacturing facilities. Our current quality system includes:



- Pre-production/1st article and pre-shipment testing of all globally sourced standard product. (Custom-manufactured products subject to testing per applicable customer and industry specifications.)
- A documented and implemented supplier approval program with scheduled on-site audits on a three-year cycle. Our policy is that we buy standard product only from approved suppliers.
- Systematic supplier product audits conducted by our six A2LA accredited laboratories, analyzing dimensional, mechanical and chemical attributes.
- Tracking and charting of internal and supplier performance to enhance customer satisfaction; quarterly meetings to review supplier performance.
- Documented and implemented national account programs (custom QA/QC programs to meet strategic customers' needs).
- Annual management reviews of our quality system to determine our effectiveness and drive continuous improvement.



Malaysia Test Cert # 1046.05
Shanghai Test Cert # 1046.04
Taiwan Test Cert # 1046.03
Winona, MN Test Cert # 1046.01
Winona, MN Calibration Cert # 1046.02
Wallingford Test Cert # 1046.06
Modrice, Czech Republic (accreditation pending)
Complete scope of certification
available upon request



Quality Assurance Lab and Equipment

The scope of our A2LA accreditation includes mechanical, chemical, dimensional and calibration testing. Our calibration lab and primary mechanical/chemical test lab is located in Winona, MN, and first completed its A2LA accreditation in 1998. Since then we've received A2LA accreditation for our labs in Shanghai, Taiwan, Malaysia, Wallingford, CT (HOLO-KROME), and most recently, Modrice, Czech Republic. Fastenal's labs provide product testing to internationally recognized standards, including ASTM, SAE, ASME, ISO, DIN as well as customer required specifications. The following is a list of equipment used in our labs:

30,000 lb. & 200,000 lb. Tensile Testers – Testing externally threaded fasteners for tensile, proof load, and yield strengths; testing internally threaded fasteners for proof loads

Rockwell Hardness Tester – Testing Rockwell hardness in the B and C scales, as well as surface hardness on the 30N

Micro-hardness Tester – Hardness testing using the Vickers scale



Quality Assurance Lab and Equipment Cont.

Auto Sorting Equipment – Performs laser, optical, and eddy current sorting to automatically inspect every fastener in a lot, when 100% compliance is required

Skidmore-Wilhelm – Measurement of clamp load between internal and external thread assembly

Spectrometer – Chemical analysis for iron, nickel, aluminum, copper, and titanium base materials

Portable XRF – Rapid alloy identification, PMI (positive material identification), sorting of materials

Metallographic Microscope – Analysis of grain structures and boundaries on raw material and finished product

X-Ray Fluorescence (Plating Thickness) – Measurement of zinc plating

Mag-Particle (AC/DC) – Nondestructive inspection capabilities for analyzing quench cracks, seams, and discontinuities above and below the surface

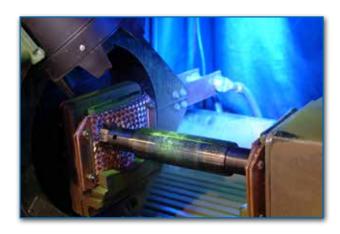
Variable Thread Gauging – Inspection of internal and external threads for pitch and functional diameters

Ring and Plug Gauges – "Go / no go" thread inspection for inch and metric sizes

Optical Comparator – Dimensional inspection of linear measurements, angles, thread profiles, and radii

Drive Test Plates, Torsional Collets, and Ductility Blocks – Performance testing for tapping, thread cutting, and thread rolling screws





Length Gauges – 6 and 12 inch gauges for measuring lengths

Recess Checker – Recess depth and penetration depth on cross-recessed, hex, and slotted drives

Protrusion Gauge – Measurement of head protrusion on countersunk fasteners

Drill Drive Tester – Drill-drive performance test for self-drilling tapping screws

CMM – Coordinate measuring machine for precise measurements of angles, concentricity, roundness, diameter of holes, distance of points, etc.

Corrosion Test Chamber – Salt spray (fog) testing per ASTM B117

Charpy Impact Machine – Impact testing of L7 material. Impact testing up to 264 ft.-lbs. with a temperature range of +410°F to -202°F

Liquid Penetrant – Nondestructive testing of non-magnetic materials

Additional Equipment – MicTrac, Elongation Gauge, Torque Wrenches, Gauge Block Set, Digital Calipers, Micrometers, Pitch Micrometers

Training

The Fastenal School of Business (FSB)

At Fastenal, we empower our local people to make the best decisions for their customers and the company within the framework of our quality systems. This decentralized service approach wouldn't be possible without a highly trained, ethical work force, which is why we've built the most comprehensive corporate university in our industry: the Fastenal School of Business.

With 14 campus locations, extensive field training, and a dynamic online training portal, FSB provides career-long opportunities for professional education and development, enabling our personnel to continually improve their product knowledge and service skills. Specialized institutes focus on store operations, leadership, sales, marketing, product education, operations, and support.



Our instructors educate employees through custom designed and delivered curriculum, and all programs are continually measured for effectiveness. FSB also employs a registrar and a team of training coordinators, who together oversee coordination, logistics, materials and registrar functions.

In 2013 alone, Fastenal employees completed more than 8,200 instructor-led FSB courses along with approximately 200,000 online courses.

Customer Training

We offer customized training programs to meet specific goals and requirements. Training sessions are generally held at the customer's facilities, with training conducted by Fastenal employees (including our engineers and industry specialists) and/or Fastenal qualified suppliers. In most cases, courses are hands-on and interactive.

Our **safety training** programs include proper PPE selection, fitting and use. We offer various on-site assessment, survey and testing programs in conjunction with our key safety suppliers and Fastenal Safety Specialists.



Other commonly requested training programs include **fastener training** led by our in-house team of engineers. Fastenal Engineering has developed training courses for both OEM and MRO customers. They have the expertise to cover a number of fastener topics, including fastener strengths, head markings, material, threads, torque, clamp load, principles of bolted joints and other aspects of fasteners and their applications. These trainings are all customized to meet the needs of the customer and targeted specifically for the intended audience. Training sessions can be limited to two hours, but some of the more in-depth training can last up to two days.

In addition to safety and fastener training, we provide **product training** in most of the product lines we carry, including certified supplier training.

Supply Chain Diversity

At Fastenal we recognize the many opportunities small and diverse businesses provide as our suppliers, vendors and strategic customers. Our Supplier Diversity program facilitates the demand for small business advocacy among large corporations, prime contractors, city/state/local government, federal government and many other organizations. Understanding this demand helps us provide opportunities to small and diverse businesses in both the United States and Canada.

2nd Tier Program

We are committed to building relationships with, and purchasing goods and services from, qualified small and diverse businesses to the maximum extent possible while meeting our standards for quality and reliability. This program is not limited to just Woman-Owned and Minority-Owned Business Enterprises; we also support and offer products supplied by Small Businesses, Small Disadvantaged Businesses, Veteran-Owned and Service Disabled Veteran-Owned Businesses, and HUBZone certified businesses. No matter the request or certification criteria, Fastenal's Supplier Diversity team can help.

1st Tier Authorized Reseller Program

Certain projects, contracts and companies have a very high demand for diversity spend. Our 1st tier program establishes strategic alliances with small businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's 1st tier program features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications, including:

- Small Business (SBE)
- Small Disadvantaged Business (SDB)
- Minority Business Enterprise (MBE)
- Disadvantaged Business Enterprise (DBE)
- Woman Business Enterprise (WBE)
- Small Veteran-Owned Business (SVOB)
- Small Disabled Veteran-Owned Business (SDVOB)
- HUB Zone business (HUB)

The full line of Fastenal's fasteners and industrial supplies are available for purchase through our authorized resellers. Some resellers are stocking distributors. Others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements. All authorized resellers are the vendor of record, responsible for contract negotiations, pricing, invoicing and accounts receivable management. Customers must qualify for this program. Contact suppliercert@fastenal.com for more information.





Green Resources

Corporate Green Policy

Fastenal's green policy is an evolution of our lean quality initiatives, which are focused on eliminating waste and redundancy. It is also aligned with our government contract compliance initiatives. In short, it is our mission to operate our business in the most environmentally-friendly way possible without compromising quality or service.

Environmentally Preferred Products (EPP)

Fastenal offers environmentally preferred solutions across many product categories, with a focus on Waste Reduction, Energy Conservation, Water Conservation, and Green Cleaning and Maintenance.

Green products are clearly marked with the Fastenal "green" icon, indicating that the item offers environmental benefits according to either a third-party certifying agency (EcoLogo, Green Seal, etc.) or information provided by the manufacturer. You can search for

available green products in each category on Fastenal.com (under Promotions & Special Interests). We also offer an eCatalog of green product solutions found at Fastenal.com > Products > Green Items.

Usage Reporting

Fastenal's Sustainable Product Coordinator can provide reporting for any time period to track purchases of environmentally preferred products. Reports can provide summary views, as well as details about why or how the products are environmentally preferred.

Recycling Programs:

- **Call-2-Recycle** Through our partnership with the non-profit Rechargeable Battery Recycling Corporation, Fastenal can work with you to recycle "spent" rechargeable batteries so they don't end up in landfills.
- Ink & Toner Cartridge Recycling Fastenal also offers simple, convenient recycling of printer cartridges. Let us do the work for you; it's easy, quick and free.
- **RecyclePak®** When the container is full, simply ship it out; it's prepaid. Fastenal offers a wide range of RecyclePak packaging to meet your hazardous material recycling needs.

Energy Efficient Retrofits

Fastenal has partnered with LightSource Unlimited to provide lighting audits and energy-efficient lighting retrofits, including LED solutions through our Power Phase HPLED brand. Work with your local Fastenal store to receive an initial cost savings estimate.

FAST Solutions (Industrial Vending)

The same features and benefits that make our industrial vending machines *lean* also make them *green*. Below is a look at the environmental benefits of vending:

- Reduces waste inventory is tracked and controlled, promoting mindful usage
- Automates ordering eliminates paper, ink, toner and processing
- Eliminates stock-outs/emergencies no extra trips, saves fuel and lowers emissions
- Increases productivity less time traveling to the tool crib = less machine idle time
- Low energy consumption our flagship FAST 5000 machine uses less energy than a standard light bulb
- Supports compliance can be stocked with a broad range of environmentally preferred products available through Fastenal



WE ARE WHERE YOU ARE.



IN YOUR FACILITY.

Because we're local, we can stock your products minutes away, supply them in ways that save time and money, and deliver today's needs today.

IN YOUR COMMUNITY.

We talk face to face. We know your business, and we know you. Heck, our kids are on the same sports teams, and we cheer just as loudly when they win.

Real customer service takes real people and real relationships – that's why We Are Where You Are. FOR ALL OF YOUR INDUSTRIAL & CONSTRUCTION SUPPLY NEEDS, VISIT US AT fastenal.com

Share your story #WeAreWhereYouAre f



WE ARE WHERE YOU ARE.

LOCAL PRODUCT & SERVICE AT 2,700+ STORES

