Thomas Scientific Fuel Surcharge FAQ's

January 2023

Q: Why is Thomas Scientific including a fuel surcharge component on my invoice?

A: While we, as an organization, have historically not assessed this fee to our customers, the ongoing increase in the cost of diesel and jet fuel(s) has made it difficult for our Company to continue to absorb these costs and maintain our service to our customers. The aim of this surcharge is to ensure Thomas Scientific is able to manage costs more effectively until such time that the inflationary and/or volatility of these fuels have been restored to more "normal" levels.

Q: If the price of fuel goes down, will Thomas Scientific's surcharge change?

A: Yes, because the charge is tied to EIA/DOE index, if the EIA/DOE's national average diesel price falls, your fuel surcharge component will decrease as well. While we will monitor this index weekly, we expect to adjust the Fuel Surcharge monthly.

Q: How can I access the EIA/DOE Weekly Retail On-Highway Diesel Prices Index?

A: You can monitor these costs on the EIA/DOE website by visiting <u>www.eia.gov</u>. This site is updated every Monday evening.

Q: Is the Thomas Scientific fuel surcharge negotiable, or can it be waived once?

A: Thomas appreciates the patronage of our Customers and recognizes this surcharge serves as an inconvenient cost. But unfortunately, we are not able to waive this fee for orders placed on or after January 7th, 2023.

Q: Will the Thomas Scientific fuel surcharge be refunded if I make an eligible and approved return according to your established return policy?

A: We regret that this portion of your purchase is ordinarily ineligible for refund and we're only able to honor this in instances where your purchased product(s) was/were delivered in an unusable condition.

Q: Is there a maximum amount Thomas Scientific will assess as a fuel surcharge, or is it always 1.035% of the total pre-tax/freight order amount?

A: Great question, but unfortunately, this fee is automatically calculated by our ERP system and assessed on the invoice.

Q: Why does Thomas Scientific charge both freight and a fuel surcharge?

A: Our freight costs represent just that, the costs associated with carefully and expeditiously delivering your order to you, whereas the fuel surcharge represents costs associated with more relevant trends, where increases in both diesel and jet fuels have temporarily risen above normal levels. The fuel surcharge is a separate fee that our carriers charge Thomas Scientific.

Q: Is the fuel surcharge portion of my costs tax deductible?

A: We, Thomas Scientific, are not prepared to offer advice on tax eligibility. Rather, we encourage you to consult with, and present questions of this nature to a qualified tax accountant, or similar authority.

Q: When did Thomas Scientific begin imposing/assessing a fuel surcharge to its Customers?

A: Great question! After absorbing these fees for years, we have made the difficult decision to begin passing these costs along to our Customers for new purchase orders placed as of January 7^{th} , 2023.

Q: Was there any sort of notice on the Thomas Scientific website, letter, or email sent to our Customer announcing the introduction of a fuel surcharge?

A: Like so many other organizations that are imposing similar costs like these to their Customers, Thomas Scientific has alerted our valued Customers by means of a letter dated January 7th, 2023. If you'd like, I can provide you with an example of the letter used to communicate the introduction of this surcharge?

Q: Do other suppliers, in the life science distribution-space, subscribe to charging their Customers fuel surcharges too?

A: Yes, and they've been doing it for years, whereas Thomas Scientific has been absorbing these costs for just as long. We're just now imposing this surcharge out of necessity, and only for as long as prevailing fuel costs require us to do so.