

DISTRIBUTION SOLUTIONS GROUP, INC.
(f/k/a Lawson Products, Inc.)
CLAWBACK/RECOVERY OF FUNDS POLICY
ADOPTED MARCH 15, 2011

In the event that Distribution Solutions Group, Inc. (the "Company") is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, the Company will recover from any current or former executive officer of the Company who received incentive-based compensation (including stock options awarded as compensation) during the 3-year period preceding the date on which the Company is required to prepare an accounting restatement, based on the erroneous data, in excess of what would have been paid to the executive officer under the accounting restatement, as determined by the Compensation Committee, in accordance with Section 10D of the Securities Exchange Act of 1934 as added by Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and any applicable guidance or rules issued or promulgated thereunder.

If any restatement of the Company's financial results indicates that the Company should have made higher bonus or incentive compensation payments than those actually made for a period affected by the restatement, then the Compensation Committee has discretion to cause the Company to make appropriate incremental payments to executive officers and other employees currently employed by the Company. The Compensation Committee will determine, in its sole discretion, the amount, form and timing of any such incremental payments, which shall be based on the difference between the amount of bonus or incentive compensation that was paid or awarded and the amount that would have been paid or granted based on the actual, restated financial statements.