

PURCHASING TERMS & CONDITIONS FOR AFFILIATED COMPANIES OF:

DAYS, LLC DBA EQ UNITED / EQ SYSTEMS® / EQ LOGISTICS / EQ HARNESS

PURCHASE ORDER TERMS AND CONDITIONS

References to "this Purchase Order," "this Order" or "PO" shall mean, collectively, the Purchase Order identified on the face of this document or to which these terms and conditions are attached as well as these terms and conditions.

References in this Purchase Order to "Buyer," "Purchaser," "EQ United," "we," "us," or "our" shall mean the entity or applicable entities named above, and/or their respective direct and indirect parent and subsidiary corporations and divisions, on whose behalf this Purchase Order has been submitted.

References in this Purchase Order to "Vendor," "Seller," "Supplier," "you," "your," or "your company" shall mean the entity fulfilling this Purchase Order.

This Purchase Order is for the purchase of goods, services, or goods and services as described herein (collectively, "Goods", or "Products").

References in this Purchase Order to "specifications," "specs," "performance criteria" or similar language indicating one or more standards pursuant to which the Goods provided by Supplier will be measured shall mean the standards set forth in the following precedence: first, as set forth in this Purchase Order; second, as set forth in any response previously provided by Supplier to a request for quote from EQ United; and third, as set forth in any website maintained by Supplier describing such Goods. Any inconsistencies between any of such sources of criteria will be resolved by applying the available criteria in the same order of precedence. For example, if there are no specifications set forth in this Purchase Order, but there are specifications in both Supplier's response to EQ United's request for quote and Supplier's website, then any inconsistencies between those two sets of criteria will be resolved in favor of the former.

Supplier represents and warrants that there is nothing that will directly, indirectly, actually or potentially restrict or prevent Supplier in any way from fulfilling all its obligations, duties, and services under this Purchase Order, including without limitation any exclusivity or non-compete arrangement.

GENERAL

- 1. ACCEPTANCE.** The terms and conditions set forth herein shall be deemed accepted and binding upon Supplier in their entirety and without variation upon written acceptance of this Purchase Order or fulfillment of this Purchase Order in whole or in part. Acceptance of this Purchase Order, whether by written acknowledgment or by performance by Supplier, shall be upon the terms and conditions hereof; no other terms or conditions shall be binding on EQ United unless written approval thereof by EQ United specifically referring to such other terms and conditions shall have been given to Supplier. Any terms of a purchase order, invoice, quotation or order acknowledgment, including the Terms and Conditions or reference thereto, or other writing that conflicts with the terms and conditions of this Agreement shall be null and void and this Agreement shall supersede any such conflicting terms. No agreement, contract, or Purchase Order will be subject to any implied or automatic renewal, and any further relationship between the parties shall require a new Purchase Order.
- 2. INVOICING AND PAYMENT.** Within three (3) days after each shipment made or service provided, Supplier will submit an invoice listing a description of the Goods provided and, as applicable, a valid EQ United PO number, EQ United part numbers, quantity, and unit of measure, hours, and the unit and total prices. Any incidental charges such as royalties, taxes, selling commissions, non-recurring engineering, or other incidental charges must be separately itemized and identified on the invoice. The invoice must also include the following information in English, or in the destination country's official language if required: (a) name and address of Supplier and the EQ United entity purchasing the Goods; (b) name of shipper (if different from Supplier); (c) EQ United's Purchase Order number(s); (d) country of export; (e) detailed description of the Goods; (f) country of origin (manufacturer) of the Goods, or if multiple countries of origin, the country of origin of each part shipped; (h) weights of the Goods shipped; (i) currency in which the sale was made; (j) payment terms; (k) shipment terms used; and (l) all rebates or discounts. The invoice will be accompanied (if applicable) by a signed bill of lading or express receipt evidencing shipment. Payment of an invoice does not constitute acceptance of the Goods and is subject to appropriate adjustment should Supplier fail to meet the requirements of this Purchase Order. EQ United shall pay undisputed charges that comply with terms of this Purchase Order within 45 days from receipt of invoice and conforming Goods unless otherwise stated on the face of this Purchase Order or other written agreement executed by both parties. Payment will be scheduled for the first payment cycle following the net terms for the Purchase Order.

INVOICES THAT CONFLICT WITH THE EQ UNITED PURCHASE ORDER WILL BE REJECTED AND LEAD TO PAYMENT DELAYS.

All invoices shall comply with the requirements of each relevant taxing authority and shall contain date and registration numbers that will enable EQ United to obtain appropriate credit for any taxes charged. All invoices shall be mailed or emailed to the addresses provided below:

EQ United
19300 Grange St.
Cassopolis, MI 49031
Email: AP@equnited.us
Failure to comply with the above may result in delayed payment or returned invoices.

- 3. PRESUMPTIONS.** Supplier shall be conclusively presumed to have waived Supplier's right to receive payment for products or services covered by any Order if Supplier has not submitted an invoice for the products or services within one (1) year of the date of the Order. Supplier's submission of an invoice shall give rise to a presumption that the charges are the full amount Supplier claims due for the products or services listed on or referred to in the invoice for the purpose of determining the existence of any underpayment. Supplier may submit supplemental invoices only if accompanied by a photocopy of the original invoice and documentation acceptable to EQ United that establishes the validity of Supplier's claim for underpayment. Supplier waives any claim for underpayment if a supplemental invoice and supporting documentation have not been furnished within the earlier of: a) one (1) year after the delivery date or performance of the services covered by the supplemental invoice, or b) three (3) months after the date of submission of the original invoice.
- 4. SETOFF.** EQ United may deduct any amount owing from Supplier to EQ United as a setoff against any amount due or owing to Supplier under this Purchase Order.
- 5. QUALITY ASSURANCE.** Supplier agrees to allow EQ United, during normal business hours and upon reasonable advanced notice, to make reasonable inspections of the facilities where Supplier and its sub-tier suppliers manufacture or process the Goods.
- 6. INSPECTION.** All Goods may be inspected and tested by EQ United; its customers; higher tier contractors; and end user at all reasonable times and places. If such inspection or testing is made on Supplier's premises, Supplier will provide, without additional charge, all reasonable facilities and assistance required for such inspections and tests. In its standard inspection and testing of the Goods, Supplier will use an inspection system accepted by EQ United in writing. All inspection records, including sub-tier supplier records relating to the Goods, will be maintained and made available to EQ United during the performance of this Purchase Order, and for such longer periods as may be specified by EQ United. Notwithstanding any prior inspection at Supplier's premises, the manner and place of final inspection and acceptance by EQ United will be as determined by EQ United in its sole discretion. EQ United may inspect 100% or a sample of Goods, at EQ United's option, and may reject all or any portion of the Goods or lot of Goods if the Goods are defective or nonconforming. If EQ United performs any inspection (other than the standard inspection) due to discovery of defective or non-conforming Goods, any additional inspection costs will be paid by Supplier. No inspection, tests, approval, design approval, or acceptance of the Goods relieves Supplier from responsibility for warranty or any latent defects, fraud, or negligence. If the Goods are defective or otherwise not in conformity with the requirements of this Purchase Order, EQ United may, by written notice to Supplier: (a) accept such Goods at an equitable reduction in price; or (b) reject such Goods and require the delivery of replacements. Delivery of replacements will be accompanied by a written notice specifying that such Goods are replacements. If Supplier fails to deliver required replacements promptly, EQ United may correct any retained defective or nonconforming Goods at Supplier's expense; replace them with Goods from another supplier and charge Supplier the cost thereof, including cover, and any incidental costs; or terminate this Purchase Order for cause.

Products rejected by EQ United and products supplied in excess of quantities called for herein may be returned to Supplier at Supplier's expense. In addition to EQ United's other rights, EQ United may charge Supplier all expenses of unpacking, examining, repacking and reshipping such goods. In the event EQ United receives goods whose defects or non conformity is not apparent on examination, resulting in defects or imperfections in EQ United's finished product, EQ United reserves the right to require the replacement, as well as payment of any resulting damages. When a shipment is rejected based upon EQ United's inspection, and such rejection negatively affects EQ United's production schedules by reason of the fact that at least some of the products are necessary to meet such production schedules, then EQ United, at its option, may charge Supplier for the reasonable costs of an increased level of inspection up to and including inspection of each of the products comprising such shipment.

- 7. SHIPPING.** Supplier will indicate plainly the purchase order number on all bills of lading, all Goods shipped pursuant to said purchase order and on all invoices, freight bills and packages. EQ United will not be liable for any discharge, spill or other environmental incident (including clean-up costs) involving any Goods shipped under the Purchase Order until received by EQ United. All containers will be properly marked for identification per the instructions on EQ United's Purchase Order and contain a packing slip that details, at a minimum, the EQ United Purchase Order number(s), product part number, detailed product description, total number of boxes in shipment, quantity of product shipped, and final delivery address. Items shipped in advance of EQ United's delivery schedule may be returned at Supplier's expense. For domestic shipments, if requested by EQ United, and for all international shipments, Supplier will give notice of

shipment to EQ United when the Goods are delivered to a carrier for transportation. Partial shipments must be identified as such on shipping memoranda and invoices.

Shipment of Goods specified on this Purchase Order should result in lowest possible freight rate unless otherwise specified by EQ United. Penalties or increased charges due to failure to observe this provision will be charged to Supplier.

Shipping costs for Goods on back-order shall be paid only at the rate which would have been applicable had the complete order been shipped at one time. All excess costs shall be borne by Supplier.

Supplier will, at its expense, deliver Goods by the most expeditious shipping method if the delivery schedule is endangered for any reason other than EQ United's fault or an event of force majeure. If Goods are delinquent to EQ United's requirements, Supplier will grant EQ United first priority for Goods allocation and shipment. EQ United reserves the right to reject, at no expense to EQ United, all or any part of any delivery that varies from the quantity authorized by EQ United for shipment. Supplier will not make any substitutions without EQ United's prior written approval. All items will be packaged in accordance with EQ United's instructions or, if none are specified, in accordance with good commercial practice in a manner sufficient to ensure receipt in an undamaged condition.

All Goods, unless specifically exempted by the destination country's governing authorities, must be marked with the country of origin (manufacture) of the Goods in a conspicuous place as legibly, indelibly, and permanently as the nature of the article or container permits.

If Supplier is a non-U.S. entity, Supplier will assist EQ United in obtaining credit from Supplier's government for the value of relevant Goods purchased hereunder to meet any present or future contractual offer or industrial benefit requirements imposed upon EQ United or its subsidiaries or affiliates. Such assistance includes, but is not limited to, providing upon EQ United's request evidence of the existence, value, content and other pertinent information relating to such purchases. EQ United reserves the right to claim these credits for itself or third parties. If Supplier is a U.S. entity which awards any portion of the work hereunder to lower tier non-U.S. suppliers, Supplier will assign to EQ United any credits obtained from the non-U.S. sub-tier supplier's government relating to this transaction and assist EQ United in obtaining any such credits.

8. **DELIVERY.** Unless otherwise expressly provided, Supplier shall be obligated to make delivery to EQ United's premises as designated herein; and all prices stated herein shall be for such delivery, free of all freight, transportation, drayage, boxing and similar charges, which shall be prepaid for account of Supplier, unless otherwise stated in writing by EQ United. Whenever anything delays or threatens to delay the timely performance of this Purchase Order, Supplier must immediately notify EQ United in writing of all relevant information with respect to such delay.

Time is of the essence. Supplier agrees to comply with EQ United's shipping, delivery, installation and startup schedules (as applicable) without any delay and without anticipating EQ United's requirements, and shall comply with the provisions and follow the procedures outlined in the EQ United's "Mandatory Inbound Shipping and Routing Instructions" that has been provided separately to Supplier or is attached to the end of these Terms and Conditions. Shipments must equal the exact amounts identified in the Order and no partial shipments or runt cartons, changes or substitutions in specifications may be made without EQ United's prior written consent. EQ United's acceptance of late shipments or partial shipments shall not constitute a waiver of any of EQ United's rights to collect damages for goods not delivered or for late delivery. Supplier shall report to EQ United any delays in a schedule immediately as they become known to Supplier. EQ United reserves the right to cancel the Order and effect cover if Supplier cannot comply with the schedule(s) indicated on the Order. If dates are not specified on the Order, Supplier shall procure materials, fabricate, assemble and ship goods or provide services only as authorized by shipment releases EQ United issues to Supplier.

Except in case of force majeure, penalties shall be applied to the agreed delivery dates not met, based on calendar days.

- a. The penalty shall be 1% of the unit price of each Product that Supplier fails to deliver per the required delivery schedule, per calendar day for each of the first two weeks.
- b. The penalty shall be 5% per week for each following week. The total penalty is limited to 20%. The penalty may vary with the item ordered if so specified on EQ United's purchase order, in which case the above-mentioned penalties shall not apply. EQ United reserves the right to recover from Supplier, in addition to the aforementioned penalties, payment for any other damages directly or indirectly arising out of the delay attributable to Supplier. EQ United may return over shipments to Supplier at Supplier's expense for all packing, handling, sorting and transportation. EQ United may from time to time, and with reasonable notice, suspend schedules specified in the Order or such shipment.

Notwithstanding anything to the contrary in these Terms and Conditions or otherwise, EQ United may postpone delivery of all or any portion of ordered Product for a period of up to one (1) year without penalty, storage fees, or any other charges.

9. **TITLE AND RISK OF LOSS.** If the Goods will be transported from Supplier's location in the U.S. to EQ United's location in the U.S., unless otherwise specified on the face of this Purchase Order or in a separate agreement, the point of delivery, as defined in

Incoterms@2010, is the EQ United's location and Incoterm DAP will apply. When the point of delivery, as defined in Incoterms@2010, is Supplier's location, Supplier bears all risk of loss or damage to the Goods and title passes to EQ United upon delivery of the Goods to the carrier designated or approved by EQ United; Incoterm FCA will apply. When the point of delivery, as defined in Incoterms@2010, is EQ United's location, Supplier bears all risk of loss or damage to the Goods and title passes to EQ United upon delivery of the Goods at EQ United's location.

In all other cases, unless otherwise specified on the face of the Purchase Order or in a separate agreement, Supplier will deliver the Goods DAP (Incoterms@2010) at EQ United's location. Title to Goods passes to EQ United upon receipt at EQ United's location.

The foregoing does not relieve Supplier of any responsibility for hidden damages discovered after acceptance of the Goods. EQ United may direct Supplier to ship the Goods to EQ United or to any third party designated by EQ United.

10. **CANCELLATION.** EQ United reserves the right to cancel all or any part of the undelivered portion of this Purchase Order if Supplier does not make deliveries as specified, time being of the essence of this contract, or if Supplier breaches any of the terms hereof, including without limitation, the warranties of Supplier.
11. **STOP WORK.** EQ United may, at any time by written notice and at no cost, require Supplier to stop all or any part of the work under this Purchase Order for a period of up to 360 days (Stop Work Order), and for any further period as Supplier and EQ United may agree. Immediately upon receipt of a Stop Work Order, Supplier will comply with its terms. EQ United shall not be charged any penalty, storage fees, or any other fees or charges related to such Stop Work Order. At any time during the stop work period, EQ United may, in whole or in part, either cancel the Stop Work Order or terminate the work in accordance with the Termination section of this Purchase Order. To the extent the Stop Work Order is canceled or expires, Supplier must resume work.
12. **PRICE.** Supplier will furnish the Goods at the prices stated on the face of this Purchase Order. If prices are not stated on the face of this Purchase Order, Supplier will offer its lowest prices subject to written acceptance by EQ United. Unless otherwise provided on the face of this Purchase Order, the prices include all packaging, boxing, crating, applicable taxes and other government charges including, but not limited to, all sales, use or excise taxes; and all customs duties, fees or charges. To the extent that value added tax (or any equivalent tax) is properly chargeable on the supply to EQ United of any Goods, EQ United shall pay such tax as an addition to payments otherwise due Supplier under this Purchase Order, provided that Supplier provides to EQ United a value added tax (or equivalent tax) invoice. Supplier warrants that the prices charged to EQ United shall not exceed the lowest price charged by Supplier for similar goods and services to any other customer. If Supplier receives a discount, rebate, allowance, or incentive from any of its suppliers, Supplier must disclose and provide to EQ United the full value of such discount, rebate, allowance, or incentive that is received by Supplier.

If EQ United receives competitive pressure on any Goods, Supplier shall be required to make adjustments to the price of such goods. If Supplier fails or refuses to make the necessary pricing adjustments, as determined by EQ United, then EQ United shall be permitted to terminate this Agreement and any outstanding Purchase Orders.

Supplier must give EQ United at least 60 days' notice of any price increase and at least 90 days' notice of any price increase of 20% or more.
13. **PROJECTIONS.** Upon request, EQ United will furnish Supplier with projections of anticipated production, but assumes no responsibility for Supplier inventory beyond that ordered in accordance with the written EQ United Purchase Order.
14. **SPARE PARTS PRICING.** During the term Goods are supplied hereunder and for a period of 15 years after EQ United has completed the last purchase of Goods, Supplier will supply all of EQ United's service and replacement parts for the Goods at the last valid price plus any actual cost differential for manufacturing and packaging, such cost differential to be negotiated but in no case to exceed 20 percent (20%) of the last production price paid by EQ United.
15. **EQ UNITED PROPERTY.** Any material or parts furnished by EQ United intended for use by Supplier in Supplier's execution of Supplier's duties as required by this Order are held on EQ United's behalf. All such materials or parts not used by Supplier in connection with this Order shall be returned to EQ United at EQ United's expense unless Supplier is otherwise directed in writing. If not accounted for or not returned to EQ United, Supplier shall pay or reimburse EQ United for such materials or parts. All such materials or parts will be kept insured by Supplier at Supplier's expense in an amount equal to the replacement cost with a loss payable to EQ United.

Any property of EQ United in Supplier's active or constructive possession or custody hereunder will be at Supplier's risk, and Supplier agrees to reimburse EQ United for any loss or damage to such property, however caused (other than damage or loss caused by EQ United).

16. **FORCE MAJEURE.** Any delay or failure of either party to perform its obligations (other than obligations for the payment of money) shall be excused if and to the extent that the party is unable to perform due to Acts of God, or other causes beyond such party's reasonable control, including, without limitation, pandemics, acts of war, embargo, national emergency, insurrection or riot, fire, flood, or other natural disaster; provided,

however, that Supplier's ability to sell Goods at a more advantageous price will not constitute an excusable delay event. The party affected by an excusable delay will promptly provide written notice to the other, explaining in detail the full particulars and expected duration of the excusable delay, and will use its commercially reasonable efforts to remedy the delay if it is capable of being remedied. If an excusable delay occurs that affects delivery of Goods to EQ United, Supplier will allocate its available supply of Goods in a manner that assures EQ United of at least the same proportion of Supplier's total output of Goods as was allocated to EQ United prior to the excusable delay event. If delivery of any Goods is delayed for more than 60 days, EQ United may, without liability, cancel all or any part of this Purchase Order.

17. **DESIGN AND PROCESS CHANGES.** EQ United reserves the right to make changes in drawings, designs, specifications, scope of work to be performed, time and place of delivery and method of transportation. If any such change has an effect on the price, warranty, delivery date, or indemnification provisions of the Purchase Order, an equitable adjustment shall be indicated on the Change Order. Supplier will make no changes to the design, materials, manufacturing location, sub-tier suppliers, or processes specified in this Purchase Order or documents referenced therein, or if none, those in place at time of issuance of this Purchase Order, without the advance written approval of EQ United's procurement representative. Changes to a process include, but are not limited to, changes to the production process, changes in manufacturing equipment, or changes between a manual and automated process. This requirement applies whether or not there is a cost impact associated with the change and regardless of the type of change, including product improvements.
18. **WARRANTY.** Supplier warrants to EQ United, its successors, assigns, customers and end users that, upon delivery, and during the entire Warranty Period specified below, all Goods furnished (including all replacement or corrected Goods or components which Supplier furnishes pursuant to this warranty) will (a) be free from defects in material, workmanship, and design, even if the design has been approved by EQ United, (b) conform to applicable drawings, designs, quality control plans, specifications and samples, (c) comply with all applicable national and local laws, (d) be free and clear of any and all liens, restrictions, reservations, security interests or encumbrances, (e) be fit and sufficient for the purpose intended; and (f) not infringe any patent, published patent application, or other intellectual property rights of any third party existing as of the date of delivery, and not utilize misappropriated third party trade secret information, except to the extent that infringement or misappropriation results from (i) Supplier's compliance with specifications provided by EQ United, (ii) any modification of the Goods at EQ United's request, (iii) any method of use, and/or (iv) the combination of the Goods with any other products. Services will be performed in accordance with customary standards in the industry. The Warranty Period will be a period of [24] months from actual delivery of the Goods, or systems of which they are a part, to EQ United's customer. These warranties will survive any delivery, inspection, acceptance or payment by EQ United for the entire Warranty Period. Goods that meet the preceding standards are collectively called "conforming Goods." If conforming Goods are not furnished within the time specified by EQ United, then EQ United may, at its election, have the nonconforming Goods repaired, replaced or corrected at Supplier's expense. In addition to the costs of repairing, replacing or correcting nonconforming Goods, Supplier is responsible for all related costs, expenses and damages including, but not limited to, the costs of removal, disassembly, failure analysis, fault isolation, reinstallation, reinspection and retrofit of the nonconforming Goods or of EQ United's affected end-product; all freight charges; all customer charges; and all corrective action costs (i.e., costs of additional inspection or quality control systems). Unless setoff by EQ United, Supplier will reimburse EQ United for all such costs upon receipt of EQ United's invoice.
19. **REIMBURSEMENT OF WARRANTY EXPENSE.** Supplier agrees to reimburse EQ United for any warranty expense (including freight in, freight out, labor and current part cost inclusive of any required and or applicable markup as of the time of reimbursement) incurred by EQ United related to the defective or nonconforming product provided by Supplier. EQ United will provide to Supplier, with each reimbursement request, copies of all documents or claims received from the repair facility verifying the defect and the work performed. If required by Supplier, all defective products or parts therefore will be returned to Supplier, however, EQ United has a right to maintain possession of a representative sample of the defective product or parts for evidentiary purposes, and Supplier shall not destroy or dispose of defective product or parts without prior approval from EQ United. Shipping costs will be included in EQ United's reimbursement request. EQ United will send the reimbursement request to Supplier or include it with your return product or part. Supplier must reimburse EQ United within 15 days of receiving the reimbursement request. If Supplier fails to timely reimburse EQ United, EQ United will deduct the amount of the requests from the next payment to Supplier. Request for defective product or parts held by EQ United or its dealer must be received within 30 days, or the product or parts may be scrapped. If Supplier wishes to repair and return or replace defective product or parts, supplier must make prior arrangements with the applicable EQ United's warranty department. Standard procedure will be to request reimbursement for the part cost (including markup when required) labor and shipping.
20. **RECALLS.** Supplier represents, warrants and covenants that: (a) Supplier will promptly provide to EQ United any communications to or from any governmental, regulatory or industry authority relating to any claim defect or alleged problem related to any product; (b) Supplier shall promptly provide to EQ United details of any complaints supplier receives relating to its product, together with the reports on the manner in which Supplier has, is or will resolve the complaints; and (c) Supplier will take immediate action to abate any health or safety risk posed by the product (including, but not limited to participating in and/or initiating product recalls). Upon EQ United's written request, Supplier shall provide to EQ United, for EQ United's review and approval, copy of Supplier's recall program for the products. Supplier shall also provide EQ United with copies of any

certifications provided by Supplier or its manufacturers of the products, or components thereof. Supplier agrees to cooperate with EQ United to fulfill and comply with any product recall obligations involving Supplier's product or arising as a direct consequence of Supplier's product. Supplier agrees to reimburse EQ United for all expenses incurred in performing a product recall of Supplier's product. Recall obligations shall include, but are not limited to, both involuntary and voluntary recalls governed by the National Highway Traffic and Safety Administration (NHTSA), Transport Canada and the Consumer Product Safety Commission (CPSC). All recall expenses will be submitted for payment per the warranty expense process.

21. **CORRECTIVE ACTION SYSTEM.** Suppliers are expected to establish and maintain a corrective action system. The corrective action system is expected to include, at a minimum, the following requirements:
 - Investigations to identify the root cause of nonconformances.
 - Identification of the actions needed to correct nonconformances and to prevent their recurrence in the short and long term.
 - Verification of corrective actions to ensure their effectiveness and to confirm that product is not adversely affected by the action(s) taken.
 - Distribution of information concerning quality problems or nonconforming product to personnel responsible for assuring product quality.
 - Analysis of sources of quality data (e.g., Manufacturing processes, production defects, product disposition records, quality audit records and reports, complaints, escapes, supplier corrective action requests (SCARS), returned product or similar product using statistical methods and training where applicable, to identify existing and potential causes of nonconforming product or other quality problems.
 - Management review of identified quality problems and associated corrective action activities.
 - Documentation of corrective action activities and results.
22. **DELIVERABLES.** The Deliverables (as defined below) shall, to the extent permitted by applicable law, be deemed a work-made-for-hire specially ordered or commissioned by EQ United. "Deliverables" shall mean all newly created works of authorship created by Supplier in the performance of services hereunder. EQ United shall be deemed the author of the Deliverables and shall own all right, title, and interest throughout the universe in perpetuity in and to said Deliverables, and the right to use, adapt and change said Deliverables and to prepare derivative works therefrom. Should the Deliverables ever be deemed not a work-made-for-hire, Supplier hereby assigns to EQ United in perpetuity throughout the universe, all right, title, and interest in and to the Deliverables. Notwithstanding the foregoing, or anything to the contrary contained herein "Deliverables" do not include (a) any pre-existing materials or works of authorship owned or controlled by Supplier, or (b) any materials or works of authorship obtained or created by Supplier outside the scope of performing services hereunder.
23. **ASSIGNMENT AND SUBCONTRACTING.** Supplier will not assign this Purchase Order or any rights or obligations hereunder or subcontract all or any material aspect of the work called for hereunder without the prior written approval of EQ United. Any assignment without EQ United's written approval will be voidable at the option of EQ United. EQ United may assign this Purchase Order or any of its rights or obligations hereunder to any of its subsidiaries or affiliates, or to any purchaser or successor to all or substantially all of the assets of the business or product line to which this Purchase Order relates without Supplier's consent and upon written notice to Supplier.
24. **PATENTS AND TRADEMARKS.** Supplier agrees to indemnify and save harmless EQ United and its vendees from any and all claims, suits, liabilities, damages, losses or expenses incurred by EQ United or its vendees by reason of any breach of Supplier of its warranty under Section 18.
25. **PURCHASER-SUPPLIED MATERIALS, TOOLING, EQUIPMENT AND TECHNICAL DATA.** Title to any material, tooling, equipment or technical data that EQ United pays for or provides to Supplier, including replacements thereof ("EQ United Property"), will remain or vest with EQ United. Supplier will conspicuously label EQ United Property as such, maintain it in good condition (ordinary wear and tear excepted), keep written records of the EQ United Property in its possession and the location of such property, not allow any liens to be placed upon it, and not change its location without prior written approval from EQ United. Supplier is responsible for inspecting and determining that the EQ United Property is in useable and acceptable condition.

Supplier will use EQ United Property exclusively for the performance of EQ United Purchase Orders unless otherwise authorized in writing by EQ United's procurement representative. EQ United Property is intended for use at Supplier's site only or as otherwise authorized in writing by EQ United's procurement representative and, to the extent applicable, is subject to U.S. and other government export or re-export requirements. Supplier is responsible for any loss, damage, or destruction of EQ United Property and any loss, damage or destruction of any third party property resulting from Supplier's negligent use of EQ United Property. Supplier will return EQ United Property or dispose of it at EQ United's sole option in accordance with EQ United's written directions.
26. **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.** Supplier will comply with all applicable national, state and local laws, regulations, ordinances and directives including without limitation those related to the environment, and health and safety in performing this Purchase Order. In addition, and to the extent EQ United and

its suppliers are required to comply with codes of conduct of EQ United's customers ("Customer Codes"). Supplier will use its commercially reasonable efforts to comply with these Customer Codes. Supplier will maintain an integrity and compliance program acceptable to EQ United and its customers and effective in preventing and correcting ethical violations and in maintaining compliance with laws. By acceptance hereof, Supplier warrants: (a) that all of the Goods, merchandise and materials delivered and services rendered hereunder will have been produced and provided in compliance with all requirements of the Fair Labor Standards Act of 1938, as amended, and that it will so state on each invoice covering any of the same, and (b) that all Goods, materials and equipment delivered hereunder shall comply with the applicable federal standards prescribed by the Occupational Safety and Health Act of 1970, and (c) that all chemical substances, and products containing chemical substances, will comply with the applicable federal standards prescribed by the Toxic Substances Control Act (TSCA) and regulations promulgated under it, (d) Supplier will comply with applicable laws, rules and regulations of federal, state and local governments and agencies thereof, including Executive Orders 11246 (Equal Employment Opportunity), Executive Order 11458 (Minority Business Enterprise), Public Law 93-112, Sec. 503 (Rehabilitation Act of 1973), Public Law 93-508, Sec. 402 (the Vietnam Era Veterans Readjustment Act of 1974) and all rules and regulations passed pursuant thereto which are hereby incorporated herein by this reference, unless this Purchase Order is exempt pursuant to said Executive Orders of Acts and regulations issued thereunder, and (e) any other applicable local, state or federal laws and regulations.

Supplier warrants that all representations and certifications furnished by Supplier as required by law or regulation in connection with this order are accurate, current and complete as of the effective date of this order, and that to Supplier's knowledge no person has been paid a kickback or illegal gratuity in connection with this order. Supplier agrees to indemnify and hold EQ United and its customers harmless for any loss, damage or expenses sustained because any certification or representation herein or required by law or regulation made by Supplier was inaccurate, non-current or incomplete or due to Supplier's non-compliance with any applicable law or regulation.

By acceptance of this Purchase Order, Supplier certifies that any chemical substance(s) furnished pursuant to this order have been properly labeled, and that proper information of the substance(s), e.g., material safety data sheets, have been provided to EQ United, pursuant to any federal, state or local legislation.

27. **INSURANCE.** Supplier will maintain insurance with a carrier rated a minimum AM Best rated "A", covering at least the following insurance: commercial general liability (including product liability, and for services to be performed, completed operations liability) in a sum no less than \$2 million; automobile liability (with non-owned and hired vehicle coverage) in a sum no less than \$1 million; worker's compensation in an amount no less than the applicable statutory minimum requirement; excess liability insurance in an amount not less than \$1 million per occurrence. Prior to the delivery of any Goods, Supplier will provide to EQ United certificates of insurance evidencing that Supplier maintains the foregoing insurance, which will provide that such coverage will not be changed without 30 days advance written notification to EQ United from the carrier(s). Except where prohibited by law, Supplier will require its insurers to waive all rights of recovery or subrogation against EQ United, its subsidiaries and affiliated companies, and its and their respective officers, directors, shareholders, employees and agents. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of the indemnification obligations in this Purchase Order. Upon request, Supplier shall (i) obtain insurance for recalls, and (ii) include EQ United as a named or additional insured on any or all insurance policies required pursuant hereto.
28. **PERFORMANCE ASSURANCE PLAN.** If EQ United, in its reasonable discretion, determines there is a significant risk that Supplier will fail to meet its performance or delivery requirements under this Purchase Order, EQ United may require Supplier to perform under a EQ United Performance Assurance Plan. The Performance Assurance Plan may include specific reporting and performance requirements reasonably tailored to ensure Supplier's adequate performance under identified provisions of this Purchase Order. Any failure by Supplier to satisfy the terms of the Performance Assurance Plan is a material breach of this Purchase Order.
29. **INSOLVENCY.** If Supplier shall become insolvent, file a petition in bankruptcy or make an assignment for the benefit of creditors, or if a receiver or trustee shall be appointed of or for any of Supplier's property or business, this Purchase Order may be canceled at EQ United's option without liability.
30. **TAXES AND PERMITS.** Supplier shall be solely responsible for: (a) all sales, occupational or use, gross receipts, F.I.C.A. (Social Security), unemployment compensation, personal property, income and other taxes and excises, all stated without limitation, upon the material and labor furnished by Supplier under this Purchase Order, as required by the United States Government, the state in which the work is performed or any other government or municipal authority which may be applicable directly or indirectly to the work being performed by Supplier; and (b) all permits, licenses and bonds required in connection with the work covered by this Purchase Order, which Supplier shall obtain at its sole cost and expense and which shall be subject to the approval of EQ United.

If EQ United is required by the law of any jurisdiction to withhold any taxes, duties, fees, levies, or charges ("Withholding Taxes") from any fees or other charges (including reimbursement of expenses) paid to Supplier, EQ United will be entitled to deduct the amount of such Withholding Taxes from the amount of such fees or other charges (including reimbursement of expense). If Supplier is either exempt from withholding or entitled to a reduced rate of withholding pursuant to a tax treaty or other

applicable law, and provided EQ United with adequate documentation of such exemption from or reduced rate of withholding, EQ United will be entitled to withhold only such Withholding Taxes from which Supplier is not exempt. In case of doubt by EQ United as to EQ United's liability for any such tax, Supplier shall allow EQ United, at EQ United's expense, to assume control of any litigation or proceeding relating to the determination and settlement of such tax. EQ United shall, upon final settlement of such litigation and proceeding, reimburse Supplier for any tax owing including in the amount to be reimbursed, any interest charges and penalties accruing thereon.

31. **RELATIONSHIP OF PARTIES/INDEPENDENT CONTRACTOR.** Nothing in this Purchase Order will be construed to place Supplier and EQ United in an agency, employment, franchise, joint venture or partnership relationship. Neither party has the authority to obligate or bind the other in any manner, and nothing contained in this Purchase Order will give rise or is intended to give rise to rights of any kind to any third parties. Neither party will make any representation to the contrary. The parties agree that Supplier will perform its obligations under this Purchase Order as an independent contractor. Supplier retains the right to exercise full control of, supervision over and responsibility for Supplier's performance hereunder, including the employment, direction, compensation and discharge of Supplier's personnel, as well as compliance with workers' compensation, unemployment, disability insurance, social security, withholding and all other laws, rules, codes, regulations and ordinances governing such matters.
32. **INTERNATIONAL SHIPMENTS.** International shipments must be preceded by all documentation necessary for import and export processing, and in accordance with EQ United's requirements. At time of shipment, the express ocean bill(s) of lading, commercial invoice(s), packing list, and any other documentation required for an international shipment, shall be forwarded directly to EQ United Trade Compliance team at tradecompliance@equunited.us.

Commercial invoices for international shipments must include the HTS code to at least 6 digits, the country(ies) of origin at the part number level, and any trade agreement certification statements (Ex: GSP, CAFTA). Supplier must provide a Free Trade Agreement ("FTA") Certificate of Origin (COO) where applicable, and trade agreement certifications for each shipment and each part number (Ex. EU originating goods). Certifications for part numbers shall be provided upon initial shipment and updated annually for each such part number.

Where applicable, Supplier will provide EQ United with manufacturer's affidavits, exporter declarations, and any other documents or information EQ United may require to comply with international trade regulations, or to lawfully minimize duties, taxes, and fees. At EQ United's request, Supplier will provide EQ United all documents, records, and other supporting information necessary to substantiate the goods' qualification under FTAs or other duty preference programs. Supplier will exert reasonable efforts to qualify the goods under available and applicable FTAs.

33. **CUSTOMS COMPLIANCE.** Supplier assumes all responsibility and liability for any shipments covered by this Purchase Order requiring any government import clearance according to the negotiated INCOTERM. If government authorities declare or otherwise impose countervailing duties, antidumping duties, or retaliatory duties on the Goods imported under this Purchase Order, EQ United reserves the right to terminate this Purchase Order in accordance with the Termination provisions of this Purchase Order. Supplier will be debited for any penalties, duties, fees, taxes, freight, or storage charges incurred by EQ United due to Supplier's failure to comply with the terms and conditions of this Purchase Order and EQ United's requirements.
34. **DRAWBACK.** All drawback of duties, and rights thereto, related to duties paid by Supplier or EQ United upon importation of the Goods or any materials or components that enter into the manufacture of the Goods will accrue to the exclusive benefit of EQ United. Such duty drawback rights include rights developed by substitution and duty drawback rights obtained from sub-tier suppliers related to the Goods. Supplier will provide EQ United with all documents, records, and other supporting information necessary to obtain any duty drawback, and will reasonably cooperate with EQ United to obtain payment.
35. **GOVERNING LAW.** This Purchase Order shall be governed by the laws of the State of Indiana, without reference to its conflict of laws provisions. The United Nations Convention of Contracts for the International Sale of Goods (Vienna Convention) will not apply. Supplier hereby agrees to the exclusive jurisdiction of the United States federal courts sitting in South Bend, Indiana, or, if such courts lack jurisdiction, the courts of the State of Indiana sitting in Elkhart County, Indiana, in connection with any action brought by it, and expressly submits to nonexclusive personal jurisdiction of (and hereby irrevocably waives any objection against laying of venue in) any such court in connection with any suit by EQ United. The parties hereby agree to waive their respective rights to a jury trial of any claim or cause of action related to or arising out of the Agreement.
36. **CONTRIBUTION. ARBITRATION.** In the event EQ United incurs a liability, through settlement or final adjudication by a fact finder, or to a third party due (in whole or in part) to the failure or defect of a product supplied by Supplier in whole or in part, Supplier agrees to contribute an appropriate pro rata share to EQ United to satisfy such liability. In the event the parties cannot agree on an appropriate prorated share, EQ United and Supplier agree to submit the matter to arbitration before an arbitrator mutually acceptable to the parties located in Michigan. If the parties are unable to agree upon an arbitrator, each party will select a qualified arbitrator and the two arbitrators selected shall select a third arbitrator to serve as an arbitrator of this dispute. The arbitrator need not be a AAA affiliated arbitrator. The arbitration procedure shall be governed by the

AAA commercial rules. The arbitrator shall enter a final and binding ruling as to the appropriate prorated share under the facts of the dispute. Such determination will be made without regard to whether the third party had or could have had any direct cause of action against Supplier or whether Supplier had or could have had valid legal defense to such a claim.

37. **MASTER CONTRACT.** If this Purchase Order is issued as shipping instructions and/or release document pursuant to the terms of an existing contract between EQ United and Supplier, this Purchase Order shall be governed exclusively by the terms of said existing contract.
38. **AUDIT.** Supplier will maintain suitably detailed records as may be necessary to adequately reflect Supplier's compliance with the terms of this Purchase Order. Supplier will permit EQ United's auditors to have access at all reasonable times and upon not less than 2 business days' prior written notice, to Supplier's books and other pertinent records and Supplier will require each of its sub-tier suppliers to do likewise with respect to their books and records. Supplier and each sub-tier supplier will also furnish other information as may be needed by EQ United's representatives in auditing compliance. EQ United may perform audits up to two years following completion of this Purchase Order. If, as a result of an audit, any invoice submitted by Supplier is found to be in error, an appropriate adjustment will be made to the invoice or the next succeeding invoice following the discovery of the error and will be paid promptly by Supplier or EQ United, as the case may be. Supplier will promptly correct any other Supplier deficiencies discovered as a result of the audit.
39. **INDEMNIFICATION.** Subject to the other terms and conditions contained herein, Supplier agrees to indemnify, defend and hold harmless EQ United, its officers, agents, employees, successors and assigns, from and against any and all losses, expenses (including without limitation, reasonable attorneys' and other professional fees), costs, damages, demands, liabilities, suits and claims to the extent arising out of any actual or alleged personal injury (including death) or damage or destruction to property (including loss of use) by whomsoever suffered, sustained or alleged to have been sustained by reason of (a) any act, error or omission, whether negligent or not, of Supplier or its agents, employees, suppliers, subcontractors and consultants, provided that such injury, death, damage or destruction is not occasioned by the negligence of EQ United or its agents, employees and subcontractors, or (b) any failure by Supplier to comply with the terms and conditions of this Purchase Order.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER EQ UNITED NOR ITS REPRESENTATIVES IS LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, WHETHER OR NOT SUCH DAMAGES WERE FORESEEABLE OR SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

40. **TERMINATION.** (a) EQ United may terminate this Purchase Order if Supplier commits a material breach and fails to remedy the breach within 30 calendar days following receipt of written notice specifying the grounds for the breach. A material breach includes, but is not limited to, failure to deliver, late delivery or delivery of non-conforming Goods. Termination of Supplier by EQ United under this paragraph will entitle EQ United to all damages and remedies available at law or equity. Additionally, Supplier grants to EQ United a fully paid up, non-exclusive, irrevocable license to Supplier's Intellectual Property rights embodied or used in the Goods for use by EQ United solely in connection with using and repairing (but not reconstructing) the specific Goods actually delivered to EQ United hereunder. (b) Notwithstanding any firm time period or quantity, EQ United may terminate this Purchase Order in whole or in part at any time with or without cause with respect to undelivered Goods or unperformed services upon 30 days' prior written notice.

If EQ United terminates this Purchase Order under either 40 (a) or 40 (b) above, EQ United will pay to Supplier the following amounts (not to exceed in the total purchase price for the Goods), without duplication and in complete and final satisfaction of EQ United's liabilities under the Agreement, the applicable portion of the purchase price for Goods that Supplier delivered to EQ United before the termination date.

To the extent that any portion of this Purchase Order is not terminated by EQ United, Supplier will continue performance of that portion.

41. **CONFIDENTIALITY.** All information, including without limitation specifications, samples, drawings, materials, know how, designs, processes and other technical, business or financial information, that: (a) has been or will be supplied to Supplier hereunder by or on behalf of EQ United; or (b) Supplier first designs, develops or creates in connection performing services under this Purchase Order are deemed to be "Confidential Information" of EQ United. To the extent that exclusive title or ownership rights in such Confidential Information may not originally vest in EQ United as contemplated hereunder, Supplier irrevocably assigns transfers and conveys to EQ United all right, title and interest therein. Notwithstanding the foregoing, or anything to the contrary contained herein, Supplier's obligations of confidentiality hereunder shall not apply to the following: (1) information which was published or otherwise available to the public prior to its receipt by Supplier from EQ United, (2) information which becomes published or otherwise available to the public other than by a breach of Supplier's obligations

of confidentiality hereunder, (3) information that Supplier can establish by written records was in its possession prior to disclosure by EQ United, (4) information that Supplier can establish was acquired after disclosure by EQ United free from any restrictions on disclosure and use imposed by a third party, (5) information that Supplier can demonstrate was developed independently of the disclosure by EQ United by employees and agents of Supplier who did not have access to EQ United's confidential information, and/or (6) information required to be disclosed as a result of a judicial order, a governmental administrative order, or compulsory legal process provided that Supplier immediately notifies EQ United of such order or process so that EQ United has an opportunity to oppose the disclosure or to seek a protective order.

EQ United's Confidential Information will remain the property of EQ United, may not be used by Supplier for any purpose other than for performing this Purchase Order, may not be disclosed to any third party, and will be returned to EQ United upon the earlier of EQ United's written request or completion of this Purchase Order. If, with EQ United's prior written approval, Supplier furnishes Confidential Information to a sub-tier supplier, Supplier will bind the sub-tier supplier to confidentiality requirements substantially identical to this provision and Supplier will remain responsible to EQ United for any breach of this provision by its sub-tier suppliers. No disclosure, description or other communication of any sort will be made by Supplier to any third person of the fact of EQ United's purchase of Goods hereunder, the terms of this Purchase Order, the substance of any discussions or negotiations concerning this Purchase Order, or either party's performance under this Purchase Order.

Supplier acknowledges that EQ United is the owner of all right title and interest in, and to, any trademarks provided by EQ United or designed for EQ United for use in connection with the provision of the Goods hereunder (the "Trademarks"). All goodwill resulting from the use of the Trademarks by Supplier, including any additional goodwill that may develop because of Supplier's use of the Trademarks, will inure solely to the benefit of EQ United, and Supplier will not acquire any rights in the Trademarks except those rights specifically granted in this Purchase Order or a writing signed by EQ United. Supplier will use the Trademarks in strict conformity with this Purchase Order, EQ United's directions and with EQ United's corporate policy regarding trademark usage. Supplier shall not (a) use the Trademarks in any manner likely to diminish their commercial value; (b) knowingly use any name, domain name, logo or icon likely to cause confusion with the Trademarks; (c) make any representation to the effect that the Trademarks are owned by Supplier rather than EQ United; (d) file or obtain, or cause any third party to file or obtain, any applications or registrations or domain names for the Trademarks or any terms confusingly similar to the Trademarks; or (e) challenge the validity of EQ United's ownership of the Trademarks. Supplier further will not at any time, either during the life of or after the expiration of this Purchase Order, contest the validity of the Trademarks or assert a claim or any other right to manufacture, sell or offer for sale products under the Trademarks, or any trademark confusingly similar thereto.

42. **INTELLECTUAL PROPERTY INDEMNIFICATION.** With respect to the Goods provided hereunder, Supplier will, at its expense, indemnify and hold harmless EQ United and its subsidiaries, affiliates and agents, and their respective officers, directors, shareholders, and employees, and EQ United's customers (collectively "Indemnitees") from and against any and all loss, cost, expense, damage, claim, demand or liability, including reasonable attorney and professional fees and costs and the cost of settlement, compromise, judgment or verdict incurred by or demanded from Indemnitees arising out of, resulting from, or occurring in connection with any breach of Supplier's representations and warranties set forth in Section 18(e). Supplier will have the right to conduct the defense of any such claim or action and, consistent with Indemnitees' rights hereunder, all negotiations for its settlement; provided, however, in no event will Supplier enter into any settlement without EQ United's prior written consent, which will not be unreasonably withheld. Indemnitee may participate in such defense or negotiations to protect its interests. If any injunction or restraining order is issued in connection with a claim for which Supplier owes EQ United indemnification under this Section 39, Supplier will, at its expense, obtain for Indemnitee either the right to continue to make, use, offer to sell, sell or import the Goods or replace or modify the Goods to make them non-infringing.
43. **CHANGES/AMENDMENTS.** No modification to this Purchase Order will be binding upon either party unless agreed to in the form of a written amendment to this Purchase Order signed by an authorized representative of EQ United and Supplier.
44. **PUBLICITY.** Any news release, public announcement, advertisement, publicity or any other disclosure concerning this Purchase Order to any third party except as may be necessary to comply with other obligations stated in this Purchase Order requires prior written approval of EQ United.
45. **WAIVER.** The failure of either party to enforce at any time any of the provisions of this Purchase Order will not be construed to be a continuing waiver of any provisions hereunder, nor will any such failure prejudice the right of such party to take any action in the future to enforce any provisions hereunder.
46. **SEVERABILITY.** If any provision of this Purchase Order is held to be illegal, invalid, or unenforceable by applicable law, that provision will be severed from this Purchase Order; the remaining provisions will remain in full force and effect; and a similar legal, valid and enforceable provision will be substituted in lieu of the severed provision.

47. **SURVIVAL.** All provisions of this Purchase Order which by their nature should apply beyond its term will remain in force after any termination or expiration of this Purchase Order including, but not limited to, those addressing the following subjects: Import/Customs Compliance, Price, Spare Parts Pricing, Invoicing and Payment, Setoff, Warranty, Indemnification, Intellectual Property Indemnification, Insurance, Confidentiality, Audit, Governing Law, Publicity, and Survival.
48. **EMPLOYMENT REQUIREMENTS.** Equal Employment Opportunity, Employment of Veterans and Individuals with Disabilities. During the performance of this Order, unless exempt, Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a) incorporated herein. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity and/or expression, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.
49. **CRITERIA FOR ACCEPTANCE.** EQ United has the right to perform Factory Acceptance Testing (FAT) and Site Acceptance Testing (SAT) on select machinery and tooling purchases. The type of testing and the corresponding acceptance criteria will be determined by EQ United and Supplier. By accepting this Purchase Order, Supplier agrees to perform any requested testing and ensure the machinery or tooling conforms to the acceptance criteria agreed upon by EQ United and Supplier.

MANDATORY INBOUND SHIPPING AND ROUTING INSTRUCTIONS

These instructions supersede all previous instructions either written, verbal or on purchase orders. Please provide these instructions to your Shipping Department. Additional costs resulting from failure to follow these instructions **will be debited** back to your company with a \$50 administration fee.

If your price does not include freight then all shipments are to be shipped FOB (origin) Freight Collect for small packages and Less than Truckload (LTL) shipments. See instructions below.

No prepaid and add freight charges of any kind or handling fees will be allowed by EQ United on Supplier's invoice unless previously authorized in writing by a EQ United employee. Address all shipments to the street address indicated on the purchase order. Merchandise must be shipped exactly as ordered.

Supplier is to call designated carrier(s) local office or toll free number to arrange pick-up at Shipper's Dock. No pick-up charges will be allowed. EQ United purchase order number(s) must be referenced in the shipper reference number or bills of lading, airbills, and on all shipping labels and packing slips.

1. **SHIPPING INSTRUCTIONS—SMALL PACKAGES**
 - a. Surface Routings Bill FOB Freight Collect.
 - b. Contact consignee if value of shipment is over \$2,000.00.
 - c. UPS is EQ United's preferred carrier for small package shipments up to a combined weight of 100 pounds.
2. **SUMMARY**
 - a. All ground & AIR parcel orders 100 pounds or more shall be shipped Freight Collect.
 - b. The account number to be billed for each EQ United Plant will be communicated via the Purchase Order.
 - c. For full truckload and intermodal freight transportation, contact shipping@equunited.us. they will also provide account numbers.
 - d. Enter the EQ United Purchase Order Number in a reference field.
3. **SHIPPING INSTRUCTIONS—LESS THAN TRUCKLOAD (LTL)**
 - a. All LTL Freight over 100 pounds shall be shipped via: XPO Logistics or R&L Carriers, or other carrier to be approved by EQ Systems®:
 - i. Ship collect to the EQ United consignee address, an account # is not required.
 - ii. PO# must be referenced on BOL
 - iii. Contact shipping@equunited.us for any of the following:
 1. any shipment over 10 pallets/20 linear ft
 2. any shipment over 15,000 lbs total weight
 3. any expedited shipment for written authorization to do so
 4. If value of shipment exceeds \$25/lb
4. **HAZARDOUS MATERIAL**

Ship in accordance w/ all applicable DOT or IATA regulations as they pertain to classifying documenting describing packaging labeling & markings.
5. **CUSTOMS INFORMATION**

Direct all customs related questions to EQ United's corporate customs department at shipping@equunited.us. At the time shipment, EQ United will provide in-house customs broker information to Supplier.

6. **EMERGENCY AIR FREIGHT SHIPMENTS/ PREMIUM TRANSPORTATION**

The cost of any premium freight service required due to late shipment on the part of your company shall be absorbed by your company. If a shipment qualifies free freight, the routing of your choice will be accepted. In the event this is required because of a suppliers past due delivery status we will require our supplier to use premium transportation at their expense.
7. **WHEN PREMIUM TRANSPORTATION CHARGES ARE TO BE ABSORBED BY EQ UNITED.**
 - a. In cases of extreme emergency, if EQ United determines that premium transportation requires airfreight shipments at no fault of Supplier, an EQ United authorized representative must approve the shipment.
 - i. EQ United Consignee Plant will issue a Premium Freight Authorization.
 - ii. Supplier will ship Goods per EQ United approved carrier.
 - b. Shipments requiring an expedited service must be shipped as follows: For EQ United, via UPS Priority Overnight or First Overnight. The UPS account # or TMC account #, as applicable, must be entered on the appropriate space of the airway bill. In addition, EQ United purchase order number must be entered on the airway bill.
 - c. **IMPORTANT NOTE:** Emergency airfreight shipments must be authorized prior to shipment, and the purchase order number and the EQ United's name must appear on the airway bill. In the event of any unauthorized airfreight shipment costs, EQ United will refuse payment and such costs will be charged back to Supplier.
8. **BACK – CHARGE POLICY**
 - a. All non-conformances to the routing guide will be brought to the attention of the EQ United EQ United and then transmitted to Supplier. If the problem continues, EQ United will inform the EQ United that all freight charges are to be back-charged.
 - b. EQ United will send the freight bill back to the carrier with instructions to collect payment from Supplier. This information will then be transmitted to Supplier. Freight charges will continue to be back-charged until the problem is corrected.
 - c. This routing guide can be changed on a regular basis due to a multitude of factors. This routing guide may be formally re-issued on an annual basis, every January. It is Supplier's responsibility to have the most current routing guide in their possession.
9. **DAMAGED OR LOST FREIGHT**
 - a. Damaged freight will be handled according to the severity of the damage. If a FOB destination shipment arrives completely damaged, the shipment will be refused. If the damage is not too severe the shipment may be received and the damaged parts will be processed in material quality. If a shipment is lost, the agreed FOB terms will dictate which party is responsible for replacing material.
 - b. EQ United will not accept responsibility for damaged products due to a lack of proper packaging, palletizing, and/or shipment preparation. The following actions on the part of Supplier will reduce potential damages.
 - i. Proper sized pallets (standard 40X48) to prevent overhang. Some of our Suppliers use specialty sized pallets due to the nature of the product and specialty handling. All other "standard" handling materials should be shipped on standard sized pallets.
 - ii. Proper stacking height to avoid carton and product crushing. Carton stacking height is to be kept within the four-to-five-foot height range.
10. **FREIGHT CONSOLIDATION**
 - a. It is the responsibility of Supplier to consolidate all multiple same day shipments to a single destination.
 - b. Multiple Purchase Orders must be consolidated when shipping the same day, to the same address, via the same mode of transportation.
 - c. Consolidate all shipments on one bill of lading, airbill or other shipping document.
 - d. Only consolidate shipments that are traveling via the same mode. All individual packages should be placed in an overpack box and shipped using the consolidated weight. If the overpack is too large to go UPS ground then ship using LTL carrier.
11. **INSURANCE**

Do not place insurance or declare a value on EQ United's shipments regardless of the mode of transportation unless authorized in writing by EQ United's authorized representative. EQ United will not accept insurance charges from carriers without such authorization. Charges billed by carriers for insurance will be debited from Supplier's invoice.
12. **DECLARED OR RELEASED VALUE**

On truck shipments subject to declared or released value ratings, shipper shall declare the value, which results in the lowest transportation charges.
13. **C.O.D SHIPMENTS**

EQ United will not accept C.O.D shipments under any circumstances. EQ United corporate policy does not allow the receiving department to pay C.O.D charges upon delivery. All freight, duty, and charges for import or export fees must be prepaid.

14. PACKING SLIPS

Every shipment must be accompanied by a packing slip affixed to the outside of the lead carton. All packing slips must show the following:

- a. EQ United purchase order number, part number, and quantity shipped.
- b. If no purchase order number, name of person and department to receive shipment must be indicated on the shipping label, bill of lading, or airbill. In addition, EQ United purchase order number(s) must be shown as the shipper's reference number on all shipping documents.
- c. Certificate of Conformance (When required).
- d. Suppliers invoice or packing slip number.

15. INCOMING DELIVERIES

- a. Appropriate EQ United personnel must be notified of over shipments and under shipments before shipping.
- b. Product is to be shipped to EQ United via surface mode. Shipment must arrive on the due date (if given), or within (2) days before the date due.

16. MARKING REQUIREMENTS

Every article of freight must be fully identified with the following information, in addition to the packing slip requirements already specified:

- a. Supplier's name and complete shipping address.
- b. Our complete "ship to" address.
- c. If ordered on our purchase order form – our complete purchase order number.
- d. Item numbers and quantity in each carton.
- e. Purchase order number on air bill for air express shipments – only if authorized by EQ United.
- f. If shipment contains multiple boxes or skids they must be labeled properly (e.g. 1 of 2, 2 of 2).

Invoices must not include charges for freight unless previously agreed in writing and are included on the PO.

If you do not agree with anything on the purchase order, you have the following options:

- a. Notify the requisitioner, come to agreement on resolution and obtain a modified PO as appropriate. The requisitioner is the only person who can assist you.
- b. Reject the purchase order by contacting the requisitioner. E-mail is preferred method of communication of a rejected PO. If after following these guidelines, you have not received payment as expected, please contact the requisitioner.

INVOICING INSTRUCTIONS FOR SUPPLIERS OF EQ UNITED

EQ United is committed to working with our valued suppliers to achieve on-time, accurate payments for all invoices. This notice is provided to clarify the guidelines and to define our standard payment terms. Following these guidelines will ensure accurate and timely payment of invoices:

All invoices need to be sent to the "Bill To" address shown on each purchase order or emailed to the EQ United email address indicated on the purchase order. Faxed invoices are no longer accepted.

Invoice price must match or be less than the PO price and cannot contain more than two (2) decimal places.

Invoices quantities must match the PO quantities and cannot contain more than three (3) decimal places.

The line items on the invoice must match the line items on the PO. EQ United will reject invoices with one line item representing a consolidation of two or more items on a purchase order.

If EQ United's part number is referenced on the PO it must be referenced on the invoice.

IF the invoice you are going to send does not match the PO, please contact the requisitioner to have the PO corrected and approved BEFORE you submit the invoice. INVOICES THAT DO NOT MATCH THE PO WILL BE REJECTED AND LEAD TO PAYMENT DELAYS.

Any invoice not having a valid PO number and PO-matched information will be rejected.

When an acceptable invoice is received (see points above), the invoice will be date-stamped and that is the Invoice Date used to start the terms period. Checks are processed once a week.

THE SPECIFIC PAYMENT TERMS GOVERNING A PARTICULAR ORDER WILL BE CLEARLY CALLED OUT ON EACH PURCHASE ORDER.

Upon receipt, each PO should be carefully reviewed as the terms specified are the conditions that will be used to pay the invoice. If there are any discrepancies, notify the requisitioner immediately for a corrected PO. Do not call accounts payable as they will not be able to help you.

UNLESS OTHERWISE SPECIFIED, THE PRICE SET FORTH ON THE PURCHASE ORDER WILL INCLUDE ANY AND ALL CHARGES AND NO EXTRA CHARGES OF ANY KIND WILL BE ALLOWED UNLESS PREVIOUSLY AGREED TO IN WRITING AND ARE INCLUDED ON THE PO.

