

## Industrial Technologies Commercial & Industrial Products (Order Fees & Misc. Charges)

Points of Manufacture- Davidson/Mocksville, N.C., Campbellsville, KY, & West Chester, PA.

Effective immediately, the following fees and charges will apply to order modifications, order cancellations, and orders placed "On Hold" dependent upon the status of the order. **Fees are represented as distributor net (D/N).** Any order subject to the following fees will have an adjustment in D/N to cover respective fees.

**Standard Price-book Configured Units (excludes high voltage motors) where the following actions have occurred:**

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Order Released to Manufacturing</li> <li>• Materials "NOT" Pulled</li> </ul> | } | <ul style="list-style-type: none"> <li>• Placing Order "On Hold": <b>No Cost</b></li> <li>• Order Scope Changes: <b>No Cost</b></li> <li>• Order Cancellation: <b>3% of Order Value</b></li> </ul> |
|---|---|--|

**Standard Price-book Configured Units (excludes high voltage motors) where the following actions have occurred:**

- |  |   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Order Released to Manufacturing</li> <li>• Materials Pulled</li> <li>• Manufacturing Begun</li> <li>• Unit Shipped</li> </ul> | } | <ul style="list-style-type: none"> <li>• Placing Order "On Hold": <b>1% of Order Value</b></li> <li>• Order Scope Changes: <b>3% of Order Value</b></li> <li>• Order Cancellation (Mfg. begun): <b>5% of Order Value</b></li> <li>• Order Cancellation (Shipped): <b>15% of Order Value</b> <ul style="list-style-type: none"> <li>○ Freight paid back to factory, first destination not included</li> </ul> </li> </ul> |
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**Special Engineered Orders (Involving Engineering Design Work, All Medium/High Voltage Motors (ie. 2300/4160V), Special Components, and/or 50-Hertz Products for Americas Region):**

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|--|---|---|
| <ul style="list-style-type: none"> <li>• Eng'g. Design Work Completed</li> <li>• Special Drawings Created</li> <li>• Materials "NOT" Ordered/ Received</li> </ul>                                    | } | <ul style="list-style-type: none"> <li>• Order Cancellation: <b>\$1,000 per order</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Eng'g. Design Work Completed</li> <li>• Order Released for Production</li> <li>• Materials Ordered/ Received</li> <li>• Production "NOT" started</li> </ul> | } | <ul style="list-style-type: none"> <li>• Placing Order "On Hold": <b>3% of Order Value</b></li> <li>• Order Scope Changes: <b>\$800 + any charges from suppliers for special component(s) changes.</b></li> <li>• Order Cancellation: <b>15% of machine order value</b></li> </ul>              |
| <ul style="list-style-type: none"> <li>• Order Released for Production</li> <li>• Special Materials Received</li> <li>• Machine Production Started</li> </ul>  | } | <ul style="list-style-type: none"> <li>• Placing Order "On Hold": <b>3% of Order Value- per month</b></li> <li>• Order Scope Changes: <b>\$1,500 + any charges from suppliers for special component(s) changes.</b></li> <li>• Order Cancellation: <b>25% of machine order value</b></li> </ul> |
| <ul style="list-style-type: none"> <li>• Machine Production Completed &amp; Unit Ready for Shipment</li> </ul>   | } | <ul style="list-style-type: none"> <li>• Placing Order "On Hold": <b>5% of Order Value- per month</b></li> <li>• Order Scope Changes: <b>\$1,500 + any charges from suppliers for special component(s) changes.</b></li> <li>• Order Cancellation: <b>50% of machine order value</b></li> </ul> |
| <ul style="list-style-type: none"> <li>• Unit Shipped</li> </ul>   | } | <ul style="list-style-type: none"> <li>• Order Cancellation: <b>50% of machine order value</b> <ul style="list-style-type: none"> <li>○ Freight paid back to factory, first destination not included</li> </ul> </li> </ul>   |

**Rules of Engagement Pertaining to Orders Placed "On Hold" After Equipment Has Been Manufactured:** Clock starts from date machines hit the shipping dock in Davidson or West Chester. First 3-Months: 3% of total order value per month. 4<sup>th</sup> Month and Beyond: 3% of total order value per month + 15% one-time charge for long-term storage preparation- per unit.