
Earnest Machine
Supplier
Application & Renewal
Forms



Become an “Approved” Earnest Supplier and be
part of the “Intentionally Better” Experience

Welcome to the Earnest Machine supplier family!

OUR MISSION is to create the best customer experience possible.

OUR CORE VALUES enable us to be **INTENTIONALLY BETTER**

- *We put our customers first in the decision making process.*
- *We do what we say we will do.*
- *We treat our customers, our suppliers and one another with respect.*
- *We embrace change.*

We are building Earnest Machine on a foundation of being Intentionally Better in everything we do with an unwavering focus on creating the best customer experience possible. This starts with suppliers that can do the same. Our standards are high and our expectations clear. Through excellent communication and continuous improvement we create long-term relationships that allow for mutual growth & operational excellence.

Being a supplier implies that you will join on this journey of being Intentionally Better. Maintaining our quality objectives of customer satisfaction, processing orders correctly, on-time delivery & supplier management will ensure we are successful as a team.

Since our inception in 1948, the leadership of Earnest Machine has fostered a visionary, team driven atmosphere where a great customer experience has & always will be the companies ultimate vision. The employees of Earnest Machine pledge to be Intentionally Better through continuous improvement and the belief that the customer is the priority. Our combined efforts will ensure growth and market place longevity.

Supporting our winning organization is good business... let's grow together!

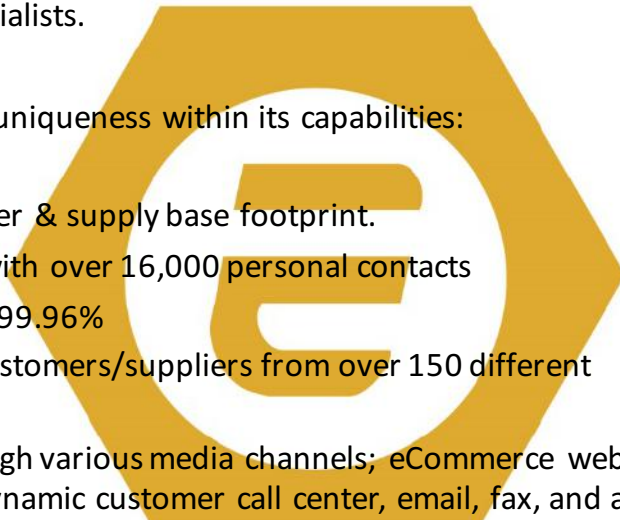
Kirk P. Zehnder

Chief Executive Office / President

Company Introduction

Earnest is an ISO9001:2008 registered international supplier of over 35,000 different types of fasteners. Earnest was founded in 1948 and continues its tradition of exemplary customer service, integrity and commitment to quality. The corporate headquarters are located in Rocky River (Cleveland), Ohio with three distribution centers located in Austell, GA (Atlanta), Indianapolis, IN and Wolverhampton, England (UK). In addition to our extensive experience in industrial distribution and fastener testing, we now have the ability to provide fastener secondary services and rework with our full-time staff of highly skilled fastener and testing specialists.

Earnest Machine has the following uniqueness within its capabilities:

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1. Global distribution center & supply base footprint.
 2. 5,000 plus customers with over 16,000 personal contacts
 3. Order Accuracy Rate of 99.96%
 4. Web site is visited by customers/suppliers from over 150 different countries
 5. Conduct business through various media channels; eCommerce web based experience, a dynamic customer call center, email, fax, and a tenured, interactive, highly knowledgeable field sales team.
 6. Increased eCommerce growth of 12%YOY.
 7. Co-Engineering solutions and customization to the customer requirements
 8. Specialization in the uncommon, low volume fasteners and the not commonly stocked standards.
 9. Specialized packaging that ensures fastener integrity.
 10. Fastener secondary services & rework to meet customer specifications and unique requirements. (Cut & chamfer, drilling, fastener conversion, threading, tapping, grooving & slotting)
 11. Modern and pioneering exterior specializing in personal customer relationships.
 12. Recipient of the North Coast "Best Places to Work" Award in Northeast Ohio consecutive years running.

Goals for the Earnest Supplier Partnership

Earnest is a premier distributor of fasteners to a wide range of industries and customers. We are continuously asked to provide high quality products at the best possible value to our Customers through improved efficiency and a reduction in the total cost of procurement. Earnest requires our sources to provide the same advantages for us through constant improvement in productivity and quality. Lowering total cost for everyone in the supply chain improves the position of all those linked within it. We are best served when our suppliers act with the conviction that their welfare and ours are one and the same.

Approved Supplier Status

Obtaining and maintaining “APPROVED” supplier status is critical to your relationship with Earnest. Earnest will only purchase from EMP approved suppliers. Candidate and current suppliers are asked to submit to periodic surveys and interviews so that we may confirm which resources are available to EMP. We prefer that our sources have some selected standard systems and technologies in use. A documented quality program is an example of a system that we prefer of our most important suppliers. The initial qualification to becoming a preferred supplier is to be an Active supplier. In order to be active, we have to have done business within a 12 month rolling cycle and must have current Supplier Reference Guide & Handbook on file for your company. Approved status is awarded, and upheld, after performance, systems potential, communication and total value of the relationship have been considered. For those Suppliers with enough purchase \$ volume (typically over \$20k in annualized spend), the Supplier Report Card will be utilized to further delineate between active and preferred suppliers. Those suppliers providing us with a large volume of product, or those supplying especially critical products, may be asked to host a Supplier Audit. Supplier status is also delineated to credit our sources for the service level and cost savings they provide us.

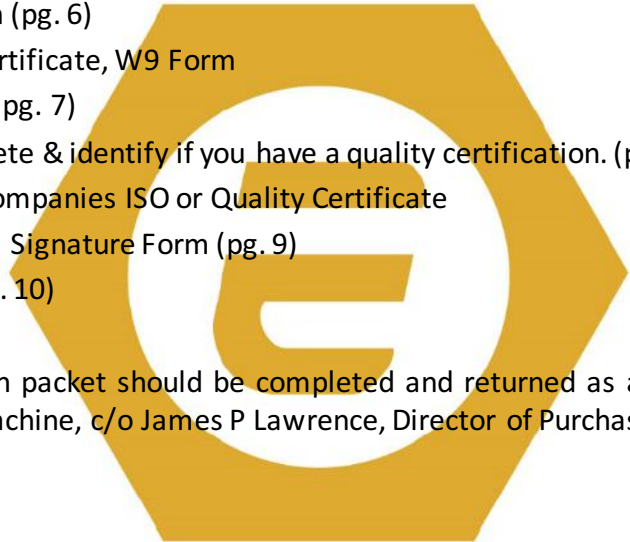
Supplier Scorecard

As a means of continuous improvement and better communication with our supplier base, Earnest Machine Products maintains a Supplier Report Card to track 5 key areas that we measure our key suppliers. Obviously, the better the score the better you are meeting our directives for successful supply. The report card will be reviewed with the supplier on a quarterly basis and is a means to open dialogue on objective data that we will use to track supplier performance. We can use these scorecards to help us track Total Cost of Procurement (TCoP) from our supply base, which helps us understand the real costs we are paying to do business with each of our suppliers. We will be generating this document for any supplier that we have spent at least \$20k as of the end of the prior full year, or that we know we will spend at least \$20k with in the upcoming year. These suppliers will receive quarterly scorecards for the next calendar year.

Tasks for New Supplier

The following documents identified with the “approved supplier” stamp must be completed, signed and returned to Earnest Machine to initiate the “Intentionally Better” experience. This request keeps our process ISO9000 compliant, completes your company profile & aides in creating a great customer experience. Successful completion and submission of these documents will ensure you are entered into our system and you receive payment correctly & timely.

1. Proof of Insurance & Renewal Form (pg. 6)
 - Return a copy of the certificate, W9 Form
2. Supplier General Information Form (pg. 7)
3. Supplier Quality Survey (1) – Complete & identify if you have a quality certification. (pg. 8)
 - Return a copy of your companies ISO or Quality Certificate
4. Purchase Order Terms & Conditions Signature Form (pg. 9)
5. ACH Payment Registration Form (pg. 10)



The following pages in this application packet should be completed and returned as a PDF to the Purchasing Department at Earnest Machine, c/o James P Lawrence, Director of Purchasing.

Thank you and welcome to the team!

James P Lawrence
Director of Purchasing

MAIL: 1250 Linda Street Suite 301, Rocky River, OH 44116
EMAIL: jpl@earnestmachine.com
PHONE: (440) 895-8400 x108



Proof of Insurance & Renewal

To the Head of Corporate Finance:

Earnest Machine Products requires that all sources of goods and services provide us with a **certificate of insurance** as physical evidence of insurance coverage. The certificate must detail your firm's general liability and/or products, or completed operations and auto liability insurance coverage, in an amount not less than \$1,000,000 combined single limit.

The insurance certificate must list the names of the insuring company(s), the policy numbers, effective date, and limits of coverage specific to each policy. Earnest Machine Products is to be listed as the certificate holder. Forward the certificate with this signed document back to Earnest.:

Brian Mamich, VP of Finance, is to be listed as our authorized representative.

We would prefer to have your agent forward the completed form(s) to us no later than two weeks after your firm has acknowledged receipt. **Earnest Machine Products must be advised of certificate renewal on each succeeding anniversary per the date of submission.**

Your time and consideration is appreciated, thank you. Kindly acknowledge your understanding, and intention to submit insurance certificate, upon receipt of this letter.



*This portion is provided for written acknowledgement of receipt.
Please email (jpl@earnestmachine.com) or fax to (440) 356-2409, thank you:*

Company Name _____

Name of Respondent _____

Title of Respondent _____

Date Acknowledged _____

US Tax Identification # _____

REMINDER: Please include a copy of your certificate & W9



General Information Form

Reason for Change (internal): New Change Supplier Number: _____

Supplier Status (internal): Approved Conditional Not Approved

Supplier Type (internal): PAD (product) RAD (rework) VAD (service) FAD (freight)

Company Name: _____ Business Type: Importer

Street Address: _____ Industrial Distributor

P.O. Box: _____ Manufacturer

City, State / Province: _____ VMI Distributor

Zip Code / Postal Code / Country: _____ Trading Company

Phone Number: _____ Fax Number: _____

Email Address: _____

Contact (Full Name Mr., Mrs., Ms.): _____

Zip Code / Postal Code: _____

Annualized Sales Volume:

Less than \$5M

\$5m - \$9.99M

\$10M - \$19.99M

\$20M - \$39.99M

\$40M - \$59.99M

\$60M - \$74.99M

\$75M - \$99.99M

Greater than \$100M

----- Remittance Address (if different than above) -----

Company Name: _____

Street Address: _____

P.O. Box: _____

City, State / Province: _____

Zip Code / Postal Code / Country: _____

Terms: _____

Tax Identification Number (Required for NAFTA export): _____

Currency (Foreign Suppliers Only): U.S. Dollar Other: _____

Reason for Request: _____

Ownership: Publicly Held Privately Held

24 Hour Contact (Full Name): _____ Phone Number: _____

Quality Contact (Full Name): _____ Phone Number: _____

Accounting Contact (Full Name): _____ Phone Number: _____

Product Types: Carriage Bolts Nuts Washers

#3 Hd Plow Bolts 12 Pt Flange Screws

#7 Hd Plow Bolts Flange Bolts

Square Head Bolts HHCS

Manufacturing Capabilities (Diameters/Lengths):

Classification: Trade (Product & Value Add) Expense (Non-Inventory Item)

Classification / Information: _____

Quality Information Attached: ISO Registration Cert. Supplier Quality Survey

Originated By: _____ Date: _____

Purchasing Approved By: _____ Date: _____

Quality Approved By: _____ Date: _____

Accounts Payable Entered By: _____ Date: _____



Supplier Quality Survey 1

REMINDER: If you have a quality certification, complete this form and return with a copy of your companies certificate.

Corporate Headquarters
1250 Linda St., Suite 301
Rocky River, OH 44116
PH: 440.895.8400 FX: 440.895.8400

Type of Company: Distributor Manufacturer Secondary Processor Other

Is your Quality System currently registered to: ISO 9001 QS 9000 TS 16949 Other

Email: jl@earnestmachine.com

*Note: If your Quality System is currently registered, please attach a copy of your current Certificate registration and return the survey without completing the survey questions

Web Site: www.earnestmachine.com

Other Quality System, explain: _____

Company Name: _____ Return Survey To: _____

Address: _____ Phone #: _____

City, State, Zip Code: _____ Fax #: _____

Principle Product and/or Service: _____

<u>Name</u>	<u>Phone #</u>	<u>Email Address</u>
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CEO: _____

General Manager: _____

Quality Manager: _____

Sales Contact: _____

Web Address: _____

Catalog On-Line? Yes No

Contact for Processing Corrective action Requests: _____

Number of Plants: _____ Total # of Employees: _____ Number of Quality Personnel: _____

Are you capable of meeting the FQA certification requirements when applicable? Yes No

Do you have the ability to provide bar-code labels to customer requirements? Yes No

Do you have the ability to provide bar-code packing slips with lot traceability information included? Yes No

Do you have the ability to package material in accordance with customer requirements? Yes No

Please list any special services that you can provide: _____

Completed By: _____ Title: _____ Date: _____



Purchase Order Terms & Conditions

The undersigned acknowledges and accepts, without reservation, the terms and conditions detailed in this application. These terms and conditions govern all purchase orders placed by Earnest Machine Products. These terms are also available on our website at www.earnestmachine.com.

Actual terms and conditions are on the following four appendix pages within this application.

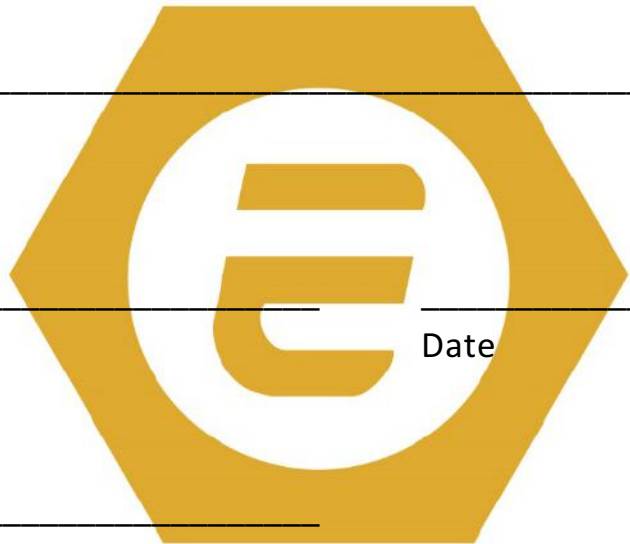
Company name

Signature

Date

Print Name

Title





ACH Payment Registration Form

Dear Valued Supplier:

Earnest will begin making supplier payments via ACH (automated clearing house) electronic transfers directly to your bank account.

Company Name:	
Address:	
Bank Name:	
Bank Account #:	
9 digit Routing/ABA #::	
Swift Code:	
Checking or Savings account:	
E-mail address for remittances:	

Please complete the following form and return, so we can convert your account to ACH payment status.

Thanks,

Brian J Mamich, CPA
Vice President of Finance
Earnest Machine Products Co

AP@earnestmachine.com

440.356.2409

Purchase Order Terms & Conditions

1. ACCEPTANCE. All purchase orders ("P.O.") issued by Earnest Machine Products Co. ("Earnest") will be subject to the terms and conditions herein ("Terms and Conditions"). Seller has read and understands these Terms and Conditions and agrees that performance under a P.O. issued by Earnest constitutes acceptance of the Terms and Conditions. Any additional or contradictory terms or conditions contained in the bid package, acknowledgment, invoice, change or other communication, oral or written, heretofore or hereafter furnished by Seller is hereby objected to by Earnest, and shall be of no force or effect. No course or dealing between Seller and Earnest, no customer usage in the trade, shall be relevant to supplement or explain in any inconsistent manner these Terms and Conditions.

2. PRICES. All prices are F.O.B. shipping point unless otherwise specifically provided in the P.O. Other payment terms shall be specified in the P.O.

3. CANCELLATION. A P.O. is subject to cancellation or hold-up on delivery at Earnest's discretion, and Earnest is not obligated to compensate Seller for its loss from such cancellation or hold-up on delivery.

4. INSPECTION AND ACCEPTANCE. Within thirty (30) days of the receipt of shipment of products subject to a P.O., Earnest shall inspect the products with regard to the defects, quantity, and identity. In case defects, shortages or excess quantities are found during such inspection, Earnest shall notify Seller not later than thirty-five (35) days after receipt of the products. Upon receipt of notice, Seller shall have the right to inspect and investigate to determine the validity of the defect, shortage or excess. Unless otherwise agreed to in writing, all products furnished under these Terms and Conditions shall be subject to an allowable variation in shipment of up to plus 10 % or minus 0% from the quantity ordered. To the extent Seller and Earnest mutually agree that there is a defect, shortage or excess for which Seller is responsible under these Terms and Conditions, then in such case Seller is obligated to correct or replace the products to conform with the P.O. at the expense of Seller, or correct the shortages or excess as further defined below. In such case, Seller agrees to arrange for transportation and sufficient insurance to protect the products in transit, as well as the transportation of the repaired or replaced products from Seller's facility, and such costs of such shorting, rework or return including a return for analysis of the products shall be borne by Seller. In the event the products are returned to Seller, Seller shall promptly make substitute delivery of products. In the case of shortages, Earnest may request expedited delivery of replenishments and Seller shall bear all additional costs of such expedited delivery. In case of excess quantities, a corresponding reduction of the next shipment shall be made or the excess quantity may be returned to Seller at Seller's expense.

5. DELIVERY. Unless otherwise specifically provided by Earnest in the P.O., delivery of the product shall be F.O.B. shipping point at Seller's designated facility set forth in the P.O. Seller will deliver within confirmed delivery dates, and Seller guarantees that such delivery dates will be satisfied. **TIME IS OF THE ESSENCE.** Seller will be responsible for any failure or delay in performance of any of its obligations, including, but not limited to delivery within confirmed delivery dates. The Earnest PO clearly stipulates the ship to and bill to information. If an order is shipped erroneously to a facility not detailed as the "SHIP TO" location on the purchase order, you will be required to ship the product to the correct facility at your expense.

Purchase Order Terms & Conditions

6. WARRANTIES. Seller warrants its products will be merchantable fit for their particular purpose, of good quality, free from defects in materials and workmanship and shall conform to any specifications or requirements provided by Earnest. If Earnest determines the products to be defective in material or workmanship, the products will be replaced or repaired at the Seller's expense, including authorized transportation, if such claims for defects are made in writing to Seller within reasonable time of the discovery. The remedies of Earnest set forth herein are not exclusive and not in lieu of all other remedies provided in these Terms and Conditions or by law.

7. PRODUCT LIABILITY. Earnest shall not be responsible for any damage or injury resulting to or caused by Seller's products by reason of negligent design, alteration of the products, neglect or abuse in the transportation of the products in a manner inconsistent with its design. Earnest shall not be liable for any delays or losses caused by Seller's error, unless such delays and losses are caused by willful misconduct of Earnest. If design and specifications are specified by Earnest, the parties agree that Seller is exclusively responsible for the manufacturing of the products in conformance with the design and specification plans. Seller shall be responsible for the correctness and adequacy of any design details, plans, or material not furnished by Earnest. The parties further agree that Seller shall be responsible for any product modifications not selected by Earnest.

8. INDEMNIFICATION. Seller shall indemnify and hold Earnest, its officers, employees, directors, representatives, agents, successors and assigns harmless against any and all losses, any special, indirect, incidental, exemplary or consequential damages and any loss of business, loss of profits or loss incurred by Earnest's Customers, claims, damages, judgements, liabilities, or expenses, including, without limitation, reasonable attorney fees and expenses, incurred by Earnest as a result of or arising out of (1) Seller's breach of these Terms and Conditions, including but not limited to breach of warranty or failure to meet specifications or requirements; (2) the transportation, alteration of the product sold to Earnest in a manner inconsistent with its design; (3) any claim by a third party against Earnest for any errors, omissions, defects, or any and all claims regarding the manufacture of the product and services sold to Earnest; (4) actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright by reason of the design, manufacture, construction or use of the product or services being sold hereunder, including infringement arising from compliance with the specifications provided by Earnest, or for actual or alleged misuse or misappropriation of a trade secret resulting directly or indirectly from Earnest's action; (5) any act or omission of Seller or its agents, employees, representatives or subcontractors. Earnest shall promptly notify Seller of any suit filed against it or its customers on account of any such indemnification obligation of Seller hereunder, and at Seller's option, Seller may assume the sole responsibility for the defense of such action at Seller's sole expense. Earnest may be represented by their own counsel in any such suit at the expense of Earnest; however, no settlement shall be entered into on behalf of Earnest without Earnest's prior consent in its sole discretion. This Section shall survive termination, cancellation, or expiration of these Terms and Conditions and/or a P.O. The remedies of Earnest set forth herein are not exclusive and are in addition to all other remedies provided in these Terms and Conditions or by law.

Purchase Order Terms & Conditions

9. DEFECTIVE GOODS. In the event non-conformity of the product(s) provided under these Terms and Conditions and/or a P.O. results in or requires the reasonably necessary corrective action involving recall or product repair or rework project of the product itself or Earnest's customers' goods or product incorporating said product, Earnest shall be entitled to recover from Seller all costs and expenses reasonably incurred by Earnest and Earnest's customers in taking any such corrective action. Seller shall immediately notify Earnest of any actual or suspected defect in a product provided by Seller, or other matter that may affect the safe or proper operation or use of the product. Seller shall promptly provide all relevant information and any rework, field retrofit or recall. Seller shall be responsible for all costs incurred by Earnest due to any product defect, recall, retrofit, or other related action.

10. DEFAULT. In the event that Seller fails to provide product subject to the P.O. to Earnest or otherwise breaches any obligation or covenant contained in these Terms and Conditions or in any other agreement with Earnest, Earnest may, in its discretion, in addition to other remedies to which Earnest may be entitled without affecting an election of remedies, cancel or terminate this Agreement upon notice to Seller, or suspend performance by Earnest under this Agreement until Seller pays for such charges or amounts. Furthermore, in the event of a cancellation or termination of this agreement by Earnest, Earnest shall be entitled to any and all damages under the Uniform Commercial Code, including without limitation Sections 2-708, 2-710, and 2-711 or their corresponding sections in the Ohio Revised Code, including, without limitation, lost profits, and all other expenses and losses incurred by Earnest.

11. RIGHT OF OFFSET. Upon written notice any sum payable to Seller by Earnest under a P.O. and/or this Agreement may be set off by Earnest against any sum payable to Earnest by Seller under this Agreement or other agreements or P.O.s between Earnest and Seller.

12. ARBITRATION. Any controversy or claim arising out of or relating to this Agreement, or the performance or breach hereof, shall be settled by arbitration in Cleveland, Ohio, in accordance with the rules and procedures then existing of the American Arbitration Association.

13. GOVERNING LAW/VENUE. This Agreement shall, in all respects, be subject to, and governed by, the laws of the State of Ohio. In the event that any legal proceeding is commenced or arises out of the provisions of this Agreement after application of the arbitration described above, said legal action shall be commenced and filed in Cuyahoga County, Ohio. Seller hereby knowingly and irrevocably waives any objection on the grounds that improper jurisdiction or venue to an action in the State of Ohio, and agrees that effective service of process may be made upon Seller by mail at the last known address of the Seller.

Purchase Order Terms & Conditions

14. CONFIDENTIALITY. Seller acknowledges that Earnest possesses certain confidential or proprietary information of Earnest, and of Earnest's customers, including, without limitation, designs, data, ideas, drawings, specifications, trade secrets, formula, technical experience, financial data, financial information, and other valuable, confidential and proprietary information, which may be disclosed to Seller or for which Seller may have access, for Seller's performance for Earnest. During the term of Seller's service and at all times thereafter, Seller agrees not to disclose to any person, firm, or entity any Confidential Information, except to those of its employees who have a need to know and only to the extent the employee has signed an agreement of confidentiality restricting any disclosure of such Confidential Information. Seller hereby agrees that if Seller breaches this section, Earnest shall incur irreparable injury and harm and money damages would be an insufficient remedy, and as such, Earnest shall be entitled to seek injunctive relief restraining Seller from further breach of this section.

15. NON-ASSIGNMENT. Seller may not assign or delegate its obligations under this Agreement without Earnest's prior written consent; however, Earnest may assign or subcontract its obligations hereunder without Seller's consent.

16. MODIFICATION/WAIVER. This Agreement may not be changed or modified orally, but may be amended in writing only by the duly authorized officers of both Earnest and Seller. A party's failure to insist on compliance or enforcement of any provision of this Agreement shall not affect the validity or enforceability or constitute a waiver of future enforcement of that provision or of any other provision of this Agreement by that party or any other party.

17. SEVERABILITY. Any legally invalid provision of this Agreement shall be considered severable, and the invalidation of any such provision shall not impair the obligations of the parties to comply with all other unaffected provisions hereof.

18. PARAGRAPH HEADINGS. Paragraph headings have been inserted in this Agreement for convenience of reference only. If there is any conflict between such headings and the text of this Agreement, the text shall control.

19. FORCE MAJEURE. Neither party shall be responsible for any acts or omissions of the other party, nor for events beyond its reasonable control (hereinafter referred to as "Force Majeure"), including but not limited to Acts of God, changes of laws or regulations or other acts of government, labor disputes, strikes, riots, mobs, fires, floods, wars, embargoes, impossibility to obtain necessary material, labor, machinery, transportation, provided the party which has reason to believe that, due to the Force Majeure it will not be able to perform according to this Agreement, shall give to the other party written notice setting forth the cause and expected time of the delay or impossibility to perform.