



TE Connectivity Distribution Channel Order Management Policy for Small Quantity Fulfillment Program

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TE Connectivity Distribution Channel Order Management Policy for Small Quantity Fulfillment Program

1.0 PURPOSE

The purpose of this program is to supply TE Distributors with the opportunity to purchase select TE products in increments of a Unit Pack Quantity (UPQ) and to set the applicable Minimum Order Quantity equal to/or in multiples of the UPQ.

2.0 SCOPE

This document applies to all products sold by the TE Distribution Channel through the Small Quantity Fulfillment (SQF) program (the "Program").

This SQF Policy is effective as of March 1, 2021 and replaces and supersedes any SQF policy previously provided to you. All orders, including both new and existing orders, will be subject to this policy.

3.0 DEFINITIONS

- 3.1. **"Distributor"** refers to a distributor that is authorized by TE to distribute certain TE product in a specified territory.
- 3.2. **"Master Shipping Carton"** refers to the outer carton containing multiples of the unit pack quantity
- 3.3. **"Minimum Order Quantity" or "MOQ"** refers to the then-current published minimum Purchase Order quantity in the applicable Price Agreement.
- 3.4. **"Part Number" or "Product"** refers to the select TE product that is subject to this Program.
- 3.5. **"Price"** refers to the applicable price for the Product as set forth in the Price Agreement.
- 3.6. **"Price Agreement"** refers to the "special price" granted to the products on this program.
- 3.7. **"Purchase Order"** refers to an order placed for the purpose of purchasing and procuring Product from TE.
- 3.8. **"TE"** refers to the TE Connectivity Ltd. family of companies.
- 3.9. **"Unit Pack Quantity" or "UPQ"** refers to the smallest packaged quantity inside of a Master Shipping Carton that is available to sell (e.g., tube, tray, reel, bag)

4.0 PURCHASE ORDER GUIDELINES

- 4.1. A new SQF "Sell To" Account is to be set up by the Distributor & TE for the purposes of the Program.
- 4.2. A TE Price Agreement will be used to manage the Part Number, Price and MOQ
- 4.3. TE Price Agreement is subject to Part Number changes and Price adjustments upon prior written notice by TE.
- 4.4. Purchase Order placement will be via Electronic Data Interchange (EDI).
- 4.5. Each line item will have a single requested Part Number delivery.
- 4.6. All lines will be coded as "ship complete" – no partial deliveries accepted.
- 4.7. No meet comps, ship & debits or any other special price requests will be accepted.
- 4.8. Product will only be shipped with TE standard labeling. No Distributor or Distributor customer's special labels on the outer carton of the Products.
- 4.9. No special testing or special documentation.
- 4.10. No special quality clause requirements or drawing review (RTS).
- 4.11. No cancellations or changes to Purchase Order(s).
- 4.12. No drop-ship requests allowed.
- 4.13. Only quantities below the standard MOQ can be purchased using the SQF "Sell To" account. Any quantities at standard MOQ or above must be placed using standard "Sell To" account.