

FAST Solutions[®]

FMI TECHNOLOGY

Government Agreement for FASTVend, FASTVend Lease, FASTBin and FASTStock POD

Customer Name (“Customer”): _____

Physical Address of FMIT Equipment (US): _____

Terms and conditions of this Agreement shall be applicable to the Fastenal’s FAST Solutions FMI Technology (“FMIT equipment”) ordered and installed at this location only.

This Agreement is made by and between the Customer and Fastenal Company (“Fastenal”). This Agreement will replace and supersede any prior agreements applicable to FMIT equipment (formerly FAST equipment) utilized by the Customer. Customer hereby grants exclusively to Fastenal the right to install FMIT equipment within Customer’s facility pursuant to an Order Form. FMIT equipment can be ordered at any time with an Order Form unless the Agreement has been terminated before the order date. Fastenal agrees to be responsible for all standard maintenance and repair of the FMIT equipment, excluding damage or destruction caused by Customer negligence (however, Customer’s liability shall not exceed the Fair Market Value (FMV) per unit listed in **Exhibit A**). The FMV represents the value of equipment and technology that Fastenal is investing in the Customer’s business. Fastenal will provide insurance to cover its liability for personal injury or property damage it causes in connection with the installation, removal, and operation of the FMIT equipment.

1. **Term:** This Agreement will be effective on the date signed below and will continue until sixty (60) days advance written notice of termination is received by either party. In the event of termination, Customer shall allow Fastenal reasonable access to the Customer’s premises for FMIT equipment removal.
2. **Ownership and Default:** Fastenal will maintain full and exclusive ownership of all FMIT equipment and Customer accepts the FMIT equipment as a bailment. Failure of Customer to comply with the terms of this Agreement or timely pay invoices will be considered a default and Fastenal has the right to terminate and remove the FMIT equipment from Customer site, at Fastenal’s discretion, with not less than five (5) business days’ written notice provided to the Customer of the default.
3. **Equipment:** Customer shall provide the physical space required for the FMIT equipment requested via the Order Form. All FMIT equipment will be stocked with Fastenal distributed products only, unless otherwise approved by Fastenal in writing. Customer acknowledges that most FMIT equipment is not intended to manage product returned to the machine unless being utilized to track assets. See Section 8 for additional information. The FMIT equipment is not NFPA rated and Customer waives any claims against Fastenal pertaining to Customer’s decision to stock hazardous materials in the FMIT equipment.
4. **Connectivity:** Customer shall timely provide all electrical and internet connections (ethernet, wireless bridge or customer supplied aircard) required for operation at no cost to Fastenal. Only if these options have been exhausted, a Fastenal supplied Aircard can be used to establish an internet connection for the FMIT equipment. If a Fastenal Aircard is used, the Customer will be subject to the Cellular Connection Fee referenced in **Exhibit A**. Customer agrees that Fastenal will not be responsible or liable for any delays, interruptions, defaults or outages with the Aircard internet connection. The Aircard connection must be utilized only in connection with the FMIT equipment and Fastenal will not be responsible or liable for any unauthorized use of the Aircard connection by Customer.
5. **Assignment:** Customer may not assign, remove or attempt to sell or transfer any FMIT equipment to another party or property, without Fastenal’s written permission.
6. **Asset Investment:** Fastenal agrees to place FMIT equipment within the Customer’s facility up to, but not exceeding, the volume of Customer’s overall purchases of products from Fastenal at the location of the FMIT equipment. After 6 months of installation, if any applicable Monthly Target Volume (MTV) is not met, Fastenal reserves the right to remove FMIT equipment or to realign the FMIT equipment value with the current sales volume of the location with the FMIT equipment. The MTV represents the ideal transaction volume associated with the capacity of the device and asset investment made. Also reflected in **Exhibit A** is the Monthly Program Value (MPV). The MPV is the value

Fastenal believes we are removing from the Customer's working capital expense by removing their need to commit to a multi-year investment acquiring, maintaining, and modifying hardware.

7. **FMIT Program Fees:** Customer will pay Fastenal the fees listed in **Exhibit A** for each piece of FMIT equipment installed at the customer if applicable. These Fees are applicable to any current or future FMIT equipment installed at the Customer pursuant to an Order Form, unless the Agreement has been terminated. Any applicable fees referenced within this Agreement and Exhibits will be invoiced on the first day of the month following the FMIT equipment installation and **monthly** thereafter. All FMIT Program Fees will be invoiced in local currency and are non-refundable.
8. **Locker Lease:** Select FMIT equipment (lockers) have the ability for Customer to track assets through a check in/out system. If utilized in this manner, a Locker Lease Order Form must be completed, and these lockers will be assessed a Locker Lease Fee as shown in **Exhibit A** and on the Locker Lease Order Form. The control board that operates these lockers is subject to the Software Fee as referenced in **Exhibit A**. FMIT equipment identified as Sensor Lockers are dispense only, check in/out system is not an option on these units.
9. **Products Terms:** All Fastenal distributed products within the FMIT equipment will be **non-consigned** and will be subject to Fastenal's "Terms of Purchase" that are posted on its website at www.fastenal.com, unless otherwise agreed to by the parties. Product pricing will be in accordance with the applicable Government contract for the Customer.
10. Customer will be subject to the terms of the 'End-User License Agreement' when using the FMIT equipment. Fastenal will not be responsible or liable for any loss, damage, expense or claim incurred by Customer arising out of the Customer's use of the FMIT equipment. Fastenal's maximum liability and Customer's sole remedy will be the refund of the Fees paid by Customer during any prior twelve month period under this agreement. This agreement shall be binding upon the parties hereto, their heirs, personal representatives, administrators, successors and assigns. This agreement will be governed and interpreted under the laws of the State of Minnesota. Parties certify authority to enter into this agreement.

Customer Signature _____	Fastenal Signature _____
Printed Name _____	Printed Name _____
Title _____	Title _____
Date _____	Date _____
	Fastenal Servicing Branch _____

All 3 pages of this Agreement must be submitted to fastsolutionsagreements@fastenal.com in order for the Agreement to be valid.

EXHIBIT A for Customer Name (“Customer”): _____ **Branch Code** _____

All fees are listed as monthly below. See Section 7 of the Agreement for the billing frequency.

<u>FMIT Equipment Type</u>	<u>Fair Market Value USD</u>	<u>Monthly Target Volume USD</u>	<u>Monthly Program Value USD</u>	<u>Monthly Software Fee USD</u>	<u>Monthly Cellular Connection Fee USD</u>	<u>One-Time Installation Fee/ea USD</u>	<u>Monthly Locker Lease Fee USD</u>
FAST 3000	\$6,250	\$1,000	\$240	GOVWaived	\$10		
FAST 5000	\$8,000	\$2,000	\$300	GOVWaived	\$10		
Stand Alone Controller	\$1,000	\$75	\$40	GOVWaived	\$10		
2 Door Vertical Locker	\$6,250	\$1,500	\$240				\$240
2 Door Horizontal Locker	\$6,250	\$1,500	\$240				\$240
4 Door Locker	\$7,500	\$1,500	\$290				\$290
12 Door Locker	\$3,250	\$250	\$125				\$125
18 Door Locker	\$5,750	\$1,500	\$225				\$225
27 Door Locker	\$7,500	\$1,800	\$300				\$300
36 Door Locker	\$9,500	\$2,100	\$375				\$375
FAST 10000 Single Door Cabinet	\$15,000	\$2,500	\$600	GOVWaived	\$10		
FAST 10000 Door-Drawer Combo	\$15,000	\$2,500	\$600	GOVWaived	\$10		
FAST 10000 Drawer Only (7 Drawer)	\$17,500	\$3,000	\$700	GOVWaived	\$10		
FAST 10000 9 Drawer	\$23,500	\$4,200	\$900	GOVWaived	\$10		
18 Door Sensor Locker	\$14,500	\$2,500	\$550	GOVWaived	\$10		
24 Door Sensor Locker	\$17,000	\$2,700	\$650	GOVWaived	\$10		
27 Door Sensor Locker	\$18,500	\$3,000	\$700	GOVWaived	\$10		
Outdoor Locker 7 Door	\$8,600	\$750	\$325	GOVWaived	\$10		
5K Chill	\$8,800	\$1,800	\$330	GOVWaived	\$10		
FASTBin Controller				GOVWaived	\$10		
FASTBin RFID	\$3,800	\$2,000	\$150			\$3	
FASTBin IR	\$75	\$40	\$3			\$3	
FASTPOD 20 - Basic	\$7,000	\$1,500	\$250				
FASTPOD 20 - Deluxe	\$20,000	\$5,000	\$750				
FASTPOD 40 - Basic	\$8,500	\$2,000	\$300				
FASTPOD 40 - Deluxe	\$30,000	\$7,500	\$1,000				
Product Locator	\$750	\$0	\$75				

This reflects the current FMIT equipment as of the Agreement date. In the event new FMIT Equipment is offered by Fastenal, an updated Exhibit must be signed for the customer to request the new FMIT Equipment via an Order Form.

Acknowledgement that this Exhibit has been reviewed and is acceptable. Initial below.

Customer _____ **Date** _____

Fastenal _____ **Date** _____