

Please sign this proposal and return to QAI noting your agreement with the program described and to initiate services with QAI. This quotation is valid for 30 days.

Date:	February 27, 2023
Proposal Number:	23MT02271
Contact:	Troy Jiao
Company:	Terran Axle LLC
Address:	1 Westbrook Corporate Ctr, Ste 300
City/State/Zip:	Winchester, IL 60154
Tel:	312-312-7767
Email:	tj@terranaxle.com

Subject:	Proposal for QAI Laboratories to reflect a change of name from Terran Axle LLC to Terran Industries LLC
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Dear Troy:

Thank you for your interest in QAI Laboratories Testing, Listing and Certification Services. With multiple laboratories and accreditations, testing and listing your product with QAI offers you a broad scope of recognition with regulatory agencies and building officials. I am pleased to provide this proposal for services outlined below in the Scope of Work.

I appreciate this opportunity to submit pricing on your requirements and look forward to being of service to you. Please call me at 604-527-8378 ext 157 with any questions on the information provided herein, or on any of our services. I may also be reached by email at mtostowaryk@qai.org. I look forward to hearing from you.

Sincerely,



Michael Tostowaryk
 Account Manager

QAI LABORATORIES

3980 North Fraser Way
 Burnaby, BC V5J 5K5
 604-527-8378 ext 157 main office
 604-396-5341 cell
mtostowaryk@qai.org
www.qai.org

Commitment to Excellent Service

It is my commitment as the CEO that our team provides you with excellent service. Your experience with QAI is of the utmost importance to me and your feedback is greatly appreciated. I can be contacted directly at sharris@qai.org.

*Thank you for choosing QAI!
 Steven Harris, CEO - QAI Laboratories*



Scope of Work (SOW)

TABLE 1 – Corporate Name Change

Description of Test or Services	Estimated Costs
Change Corporate name from Terran Axle LLC to Terran Industries LLC and update all documentation and listing accordingly.	\$370.00

When QAI is requested or required to conduct additional activities not covered by the above fees this time will be charged at \$185 per hour. This includes but is not limited to the evaluation of components not listed to applicable standards, additional testing procedures, and unexpected product requirements. Other expenses such as travel time, travel expenses, shipping costs, duties, and taxes necessary to complete the above project will be additional to the above quoted amount. Your QAI project manager will always inform you of any additional costs than may be incurred and will request your authorization prior to conducting any tasks not specified in this proposal.

Internal Use Only

JC	February 27, 2023
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All fees herein are in USD Dollars. To initiate your program, please sign and return the attached authorization page of this proposal. We will contact you regarding additional payment requirements.

Notes: 1) Incidental expenses relating directly to the evaluation and listing of your product will be charged at cost plus 20%. Mileage is charged at \$0.65 per mile. 2) Testing costs assume all materials required for construction of test samples will be provided. Materials supplied or purchased by the laboratory will be charged at cost plus 20%.

Payment Terms: 100% deposit required, unless terms have been established with QAI. Projects extending over more than one month may be partially invoiced each month.

If you agree with the above, please sign as indicated below and return to QAI. Please do not hesitate to contact us should you have any questions.

Sincerely,

Michael Tostowaryk
QAI, Account Manager

CLIENT REPRESENTATIVE:

I hereby accept the above proposal and below terms & conditions.

Signature

CEO

Title

2/27/2023

Date

ZHENGYI JIAO

Print Name

PO# (please provide if required by your organization)

QAI General Service Terms and Conditions

1. This quote is valid for 30 days from the date of issue or last revision.
2. The above fees may not include applicable taxes.
3. All fees paid via credit card may be subject to a surcharge equal to the amount of the merchant fees.
4. All work that is to be performed hereunder shall be performed by QAI Laboratories (hereinafter referred to as "QAI") within a reasonable period in accordance with its customary practices. Any different standard of performance must be agreed upon by QAI in writing in advance.
5. No alterations to these terms will be accepted without formal review and notification of acceptance by QAI.
6. The services included in this proposal may be discontinued at any time by either party by written notification; however, fees for time spent or expenses incurred by QAI will still be invoiced and will still be payable by the client.
7. QAI reserves the right to refuse to test product, material or sample if it is determined upon receipt and inspection of the product, material or sample, that conducting the test could, in our judgment, damage our test equipment, harm personnel, or violate safety or environmental policies of QAI, city, province/state or regional jurisdictions, or regulatory agencies.
8. Documents may be submitted in English or French. Documents submitted may be subject to translation surcharges.
9. QAI shall hold all information and results obtained as part of this agreement as confidential unless otherwise agreed to in writing, in other agreements or contracts, or as otherwise required by law.
10. QAI discloses tests that are planned to be contracted or subcontracted outside of our internal network.
11. Services will be scheduled upon QAI's receipt of full payment in advance. Alternately, upon QAI's approval of credit terms, a purchase order (PO) or equivalent signed documentation may be submitted. Quoted turnaround commences from QAI's receipt of both satisfactory test material/specimens and approved payment.
12. Quoted prices are based on all quoted services being conducted as agreed upon in the Scope of Work. Discounts for additional products/materials apply only to products/materials received as part of a simultaneous submittal prior to initiation of services and will be addressed in the quotation.
13. This project will be billed monthly based on the time spent and expenses incurred. If estimated dollar values are expected to be exceeded, the client will be contacted for approval.
14. Quoted prices include a report with results of all tests and/or evaluations provided in one report. If you require individual reports by test, by material, both, or test data, please submit an outline of your documentation requirements. Pricing will be confirmed or revised as applicable.
15. For multi-test programs, all specified tests will be conducted, and results provided upon completion of all tests. If you require intermittent results, and intermittent verification of product/material compliance on a test-by-test basis, please outline the test sequence and reporting requirements (e-mail, intermittent individual reports, update letters, other) and submit your requirements in writing. We will confirm pricing or provide a revised quotation as applicable.
16. Test report(s) will include identification of the product and test methods, a description of test parameters where the method allows multiple options, and results of the tests, issued in electronic form. If you require reports, charts, graphs, photos, or any other specific descriptive details, or any of these in hard copy, please identify the requirements specific to your report prior to testing. Pricing will be confirmed or revised as applicable.
17. Programs associated with a listing may only detail in the Evaluation Report that a product, material or sample has passed or failed a requirement noted in the evaluation standard.
18. If you require additional test reports or evaluations issued under the same name or the name of additional companies for private label or other purposes, please provide a written outline of your needs. QAI may require specific written authorization agreements to issue reports in multiple entity names. We will confirm pricing for this request or provide a revised quotation as applicable.
19. If submitted samples require additional machining or other preparation due to variance from tolerances specified by the test method, this service is billed at the rate provided in the quotation, or we will advise you of additional costs.
20. Note that during testing or evaluation samples may be damaged. The client is responsible for all costs associated with the samples, including shipping, duty charges and disposal fees.
21. If pass/fail criteria are not defined by the acceptance criteria or test standard, or if the test method must be varied from that specified by the acceptance criteria or test standard for any reason, QAI may not include a statement of compliance in the test report.
22. QAI Test reports are issued in a simplified format that does not include Measurement Uncertainty, unless required by the test method or requested by the client.
23. Determination of measurement uncertainty is not included in the test cost. If you require this for your test program, please contact QAI for a revised quotation.
24. Where test samples are supplied, they will normally be returned to the client at the client's expense. If samples are not to be returned after testing the client is responsible for disposal costs.
25. This quote does not include all the terms and conditions for Listing and/or Inspections. Please see terms and condition on the QAI Listing Agreement and/or QAI Inspection Agreement for full details.
26. If applicable, the Listing of your product is in accordance with QAI's Quality manual.
27. A QAI Listing Agreement and/or QAI Inspection Agreement must be signed prior to any products being eligible for a QAI listing or inspection.
28. Fees are subject to change annually with 30 days' notice being provided.
29. Quoted prices for Listing and inspection fees apply to the current calendar year or as specified within the quote.
30. If any non-conformances are found during inspections, or if any other infractions occurred with respect to the QAI Listing Agreement, depending on the magnitude of the problem, we may invoice you for the time spent in resolving the issue at prevailing Additional Engineering Time rates plus expenses.
31. Incidental expenses, including mileage relating directly to the evaluation and listing of your product may be charged at cost.
32. Please note that QAI must be notified of and authorize any changes made to Listed products prior to those changes being implemented in those products. Where product changes constitute a re-evaluation, an evaluation fee will be charged. In such cases, it is required to discuss your plans with QAI.
33. It must be understood that no guarantee or warranty is expressed or implied, nor responsibility assumed by QAI.
34. The maximum aggregate liability of QAI in any way arising out of services provided in connection with this Agreement, in contract or tort, including negligence, strict liability or on any other basis, shall not exceed the fees paid to QAI under this Agreement.
35. Client shall guarantee, hold harmless and indemnify QAI and its officers, employees, agents, or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising relating to the performance, purported performance, or non-performance, of any services.
36. In the event the client does not fulfill its obligation to pay QAI as provided herein, the client is no longer authorized to reference, reproduce, distribute, or use for any purpose whatsoever the results obtained from the activities performed as part of the agreement. In addition, the reports issued by QAI become invalid.
37. If this program is being conducted for litigation or dispute resolution, you must advise QAI in writing as additional services and considerations may need to be addressed.
38. QAI shall not be responsible for site installation or safety.
39. If you wish to visit QAI facilities, you shall be required to maintain adequate Workers' Compensation Insurance.
40. If an appointment is made to witness testing at a QAI facility, and that appointment is missed or cancelled by you with less than 5 business days' notice, and that cancellation causes hardship to QAI, QAI reserves the right to apply an additional fee up to the value of the test.
41. If any clause(s) of these terms is determined to be non-binding, the remaining terms will remain in full force and effect.