

## VENDOR CODE OF CONDUCT

At Motion Industries (“MOTION”), we are committed to a standard of excellence in every aspect of our business, to ethical and responsible conduct in all of our operations, to the respect of the rights of all individuals, and to respect for the environment. We expect our Vendors to share these same commitments. At a minimum, MOTION requires that Vendor meet the following standards:

**Compensation.** Vendor must comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, and other elements of compensation, and will provide all legally mandated benefits. If local laws do not provide for overtime pay, Vendor will, at a minimum, pay regular wages for overtime work.

**Hours of Work.** Vendor will maintain reasonable work hours in compliance with all applicable wage and hour laws and regulations. Vendors will not require employees to work more than any limits on regular and overtime hours allowed by any applicable local law.

**Forced Labor/Prison Labor.** Vendor will not use forced or involuntary labor, including prison, bonded, indentured, or otherwise.

**Child Labor.** Vendor will not use child labor. “Child” is any person who is younger than 15 (or 14 where the local law allows), or younger than the age for completing compulsory education where such age is higher than 15. Vendor will comply with all applicable laws and regulations regarding the employment of young persons who do not fall within this definition of “child.”

**Coercion and Harassment.** Vendor will treat each employee with dignity and respect, and will not use corporal punishment, threats of violence, or other forms of physical, sexual, psychological, or verbal harassment or abuse.

**Discrimination.** Vendor will not discriminate in hiring practices or any other term or condition of work on the basis of race, color, national or ethnic origin, gender, religion, disability, age, or other similar factors.

**Concern for the Environment.** Vendor will comply with all applicable environmental laws and regulations.

**Compliance with Applicable Laws.** Vendor will comply with all laws and regulations applicable to Vendor’s business, as well as the applicable standards of its industry, including those pertaining to **environmental, health & safety**, and the manufacture, pricing, sale, distribution, and exportation of merchandise. If industry standards exceed local legal requirements, MOTION will favor Vendors who meet the industry standards. Vendor will not violate or infringe upon the intellectual property rights of any third party, and will not engage in any activities, such as bribery of local officials, which would violate any applicable U.S. laws and regulations, including, but not limited to, the Foreign Corrupt Practices Act. Vendor will comply with all applicable customs laws and regulations, to include all labeling and warning requirements on merchandise.

**Subcontracting.** Vendor will not use subcontractors unless each subcontractor has entered into a written agreement to comply with this Code of Conduct, and Vendor can provide MOTION with a copy of this written agreement upon request.

**Monitoring and Compliance.** Vendor authorizes MOTION or our designated agents (including third parties) to engage in monitoring activities to confirm compliance with this Code of Conduct, to include on-site inspection of facilities and review of books and records relating to employment matters. Notwithstanding such authorization, MOTION does not assume any duty to monitor or ensure compliance with this Code of Conduct, and Vendor acknowledges and agrees that Vendor is solely responsible for full compliance with this Code of Conduct by its officers, directors, managers and employees.

**Termination of Relationship.** Any Vendor who fails or refuses to comply with this Code of Conduct is subject to the immediate cancellation of all outstanding orders, refusal or return of any shipment, and termination of its business relationship with MOTION.

**Publication.** Vendor will ensure that the provisions of this Code of Conduct are adequately conveyed to all employees, and will post a copy of this Code in the local language and in a place readily accessible to employees, at all times.

**Agents and Brokers.** In the event MOTION uses an Agent or Broker to arrange for product to be supplied to MOTION by any Vendor, the Agent or Broker shall ensure that this Code of Conduct is provided to the Vendor, and will take all necessary actions to ensure that the Vendor, as well as the officers and employees of the Agent or Broker, comply in all respects with the terms of this Code of Conduct.

Vendor acknowledges and agrees that MOTION may require Vendor to reaffirm this Code of Conduct, or execute a new Code of Conduct, from time to time and that this Code of Conduct replaces and supplants any prior Code of Conduct governing Vendor's relationship with MOTION. As a duly authorized officer or director of Vendor, the undersigned acknowledges that he/she has read this Code of Conduct and understands that Vendor's business relationship with MOTION is based on Vendor's full compliance with this Code of Conduct. The undersigned understands that Vendor's failure to abide by the terms of this Code of Conduct may result in MOTION's immediate cancellation or termination of any and all outstanding agreements and purchase orders between MOTION and Vendor, including, without limitation, MOTION's cancellation of orders for goods in process or scheduled to be made at the time of cancellation or termination, whether involving raw materials, work in process or finished goods, or merchandise in Vendor's, MOTION's or a third party's possession.

READ, UNDERSTOOD AND AGREED TO \_\_\_\_\_, 20\_\_.

VENDOR NAME: \_\_\_\_\_

VENDOR SIGNATURE: \_\_\_\_\_

PRINTED NAME AND TITLE: \_\_\_\_\_