

## Minimum/ Maximum Stocking Program (MMSP)

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### Automatic Customer Stocking Program Based On Order History

The Xmultiple Min/Max program is designed to generate additional inventory in support of our ongoing customer's requirements. The Program is designed to provide stock of the parts which your company is ordering from Xmultiple on a month to month basis.

### How Does The Min/Max Program Work?

It works like this.....

1. Xmultiple reviews all parts which have shipped within a three month time period. If you have three months in a row of orders with quantities of a connector or component of over 1000 units per month, the program automatically starts by providing 1000 units reserved for only your company as a protective stock. So the program minimum is 1000 units for three continuous months as the starting point.
  2. This stock is brought into inventory in our warehouse month after month. It is only the first initial stocking order which as the initial production lead-time which you must consider in our production planning.
  3. Xmultiple will notify you and your company in writing when you have qualified for our program. Once you confirm your forecast is ongoing and there is no end of life (EOL) in sight, Xmultiple will add your product to the program with no obligation to you.
  4. If your company's on-going monthly level drops below the 1000 unit minimum, then the program will stop immediately and you will not be able to rely on this inventory being stocked in our warehouse.
  5. In addition to the program starting with a minimum, the program continues to increase the stock as your ordering quantities increase. If your company has a monthly volume over 1000 units for three months, Xmultiple will increase the monthly stocking level to this volume. An
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example would be your company orders 6500 units for three continuous months and our Min/Max system will determine the new level of 6500 units for protective stock per month for your company.

6. The maximum volume level for this program is 10,000 units per month. The Min/Max program to be utilized for automatic stocking for volumes below the 10,000 per month usage level. After the 10,000 per month usage level is reach and maintained for three months, your company will be asked to place a blanket order to assure you have products when you need them on an on-going basis.
7. Your company agrees to provide immediate notice to Xmultiple if your requirements for the stocking items are changed so we can stop the program.

The Min/Max stocking program has a list of multiple parts which are reviewed monthly. Parts which are utilized are automatically reordered per the Min/Max program (minimum order quantity, maximum order quantity). This system is design to support our customer's critical needs which will enable Xmultiple to ship parts off the shelf. In today's world, customers want less liability and shorter lead times and that is why this system works for our customers, unlike any other connector manufacturer this is just another tool Xmultiple has implemented to provide the kind of customer service you expect from your supplier.

**XMULTIPLE USA**

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