

SHIP8, INC.

ATTN: ACCOUNTS PAYABLE
 45875 NORTHPORT LOOP EAST
 FREMONT, CA 94538

US

AP.SHIP8@SHIP8.COM

ORDER FROM

101260

DAMOTECH CORP
 16610 W 159TH STREET, SUITE 103
 LOCKPORT, IL 60441
 US

SHIP TO

SD2(2000),
 SHIP8, INC.
 ATTN: CHRISTINE JENKINS
 550 NORTHPORT PARKWAY
 PORT WENTWORTH, GA 31407
 US

Buyer

Purchasing Dept

Terms

Net 30 Days

FOB

FOB Origin

Ship Via

Best possible

Line No.	Vendor Item No.	Vendor Item Description	Qty Ordered	UOM	Unit Price	Extended Price
1		Building Maintenance Conformity Inspection & Load Capacity Calculation	1.00	Each	66,310.00	66,310.00
2		Building Maintenance Damotech Web Platform 4374 Bays - Premium Access 1 Year	1.00	Each	835.00	835.00

7-7

Total Extended Price =

RE: Completed: "2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection"

From Jessica Jeng <jessica.jeng@jlahome.com>

Date Mon 4/6/2026 6:06 PM

To Ron Capranos <ron.capranos@ship8.com>; Edward Maxwell <edward.maxwell@ship8.com>; Dianne Stebbins <dianne.stebbins@ship8.com>; James Burford <james.burford@ship8.com>

Cc Christine Jenkins <christine.jenkins@ship8.com>

Approved

Regards,

Jessica Jeng

Corporate Controller

E & E Co. LTD dba JLA Home

(510) 490-9788 x 458

(510) 403-7240 (direct)

jessica.jeng@jlahome.com

From: Ron Capranos <ron.capranos@ship8.com>

Sent: Monday, April 6, 2026 3:00 PM

To: Edward Maxwell <edward.maxwell@ship8.com>; Dianne Stebbins <dianne.stebbins@ship8.com>; James Burford <james.burford@ship8.com>; Jessica Jeng <jessica.jeng@jlahome.com>

Cc: Christine Jenkins <christine.jenkins@ship8.com>

Subject: Re: Completed: "2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection"

Hi Jessica,

We had an OSHA inspection last week triggered by a complaint from a temp. Overall, the visit went well, he noted our strong safety record and clean well-organized warehouse.

However, the inspector identified a gap: our racking does not have load capacity signage, and due to the age, multiple types of racking and lack of manufacturer data, we cannot verify load ratings and it is not marked on the racking.

OSHA requires that the employer know and enforce rack load capacities. Without this, we are exposed to safety risk and potential penalties of up to ~\$16,000 per violation (up to ~\$160,000 for willful/repeat).

To address this, we need to complete an engineering assessment and **install proper load capacity signage to bring SD2 into compliance.**

We have a follow-up meeting with OSHA and want to show that we are being proactive and cooperative to hopefully avoid any potential fines.

We are not taking action on SD3 at this time, as it was not part of the inspection.

Please let me know if you'd like any additional detail. We need approval to move forward with this.

Thanks,

Ron



SHIP8 INC.

Ron Capranos
President
550 Northport Pkwy
Port Wentworth, GA 31407

Mobile: 561.789.5217

<https://ship8.com/>

From: SHIP8 Inc via Adobe Acrobat Sign <adobesign@adobesign.com>

Sent: Monday, April 6, 2026 4:12 PM

To: Edward Maxwell <edward.maxwell@ship8.com>; Dianne Stebbins <dianne.stebbins@ship8.com>; Ron Capranos <ron.capranos@ship8.com>; James Burford <james.burford@ship8.com>

Cc: Christine Jenkins <christine.jenkins@ship8.com>

Subject: Completed: "2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection"

[Redacted]

[Redacted]

[Redacted]

All parties finished
**2026 04 01 SD2 - Damotech - Rack Load Capacity
Inspection**

DAMOTECH

Quotation

Quote #	68241
Date	2026-04-01

Bill To
SHIP8INC - (SD2)
550 Northport Pkwy
Port Wentworth GA 31407
United States

Service At
SHIP8INC - (SD2)
550 Northport Pkwy
Port Wentworth GA 31407
United States

SKU	Description	Quantity	Unit Rate	Discount	Amount
E2S5000DT	Conformity Inspection & Load capacity calculation # of Dry/Cool Bays: 4863 bays (price good up to 5000 bays)	1	\$66,310.00	0%	\$66,310.00
SOFT5000	Damotech Web Platform, 5000 Bays - Premium access 1 year - Rack Safety Management Software - Premium access, all features - Annual subscription, auto-renewal, cancel anytime - Up to five users per sites. Multi-site capabilities	1	\$835.00	50%	\$835.00

TOTAL PRODUCT	\$ 67,145.00
TOTAL ESTIMATED INSTALLATION	\$ 0.00
TOTAL ESTIMATED FREIGHT	\$ 0.00
TOTAL	\$ 67,145.00

Alexis Labelle

Alexis Labelle

James Burford
SHIP8INC - (SD2)

PO #

DAMOTECH

16610 W 159TH STREET, SUITE 103, LOCKPORT, IL 60441-8005 UNITED STATES

NEW CLIENT FORM | CREDIT APPLICATION

Legal Entity Name : _____
Trade Name : _____
Bill To Address : _____
Ship To Address : _____
Phone Number : _____ Ext.: _____
A/P Email: _____

INCOMING ACH / WIRE INSTRUCTIONS

Company Address DAMOTECH CORP
16610 W 159th Street, Suite 103
Lockport, IL 60441-8005
Phone: 1-877-990-3266

Banking Information CIBC BANK USA
120 South LaSalle Street
Chicago, IL 60603

Account # (USD) : 1130587
Bank #: 1130587
SWIFT Code: PVTBUS44
Account type: checking

Name: _____

Title: _____

Date: _____

Please return this form to the attention of the Sales Support department at orderdesk@damotech.com

Terms & Conditions

1. Background

Damotech offers expert engineering services focused solely on industrial racking systems and their safety. We bring peace of mind to our customers by helping them manage the rack systems in their facilities. Damotech is the first and largest rack safety company in North America.

CLIENT owns a warehouse and requires engineering services for the pallet rack systems.

RESELLER caters to the material handling industry and is a representative for Damotech services.

2. Scope

This section describes the three types of mandates offered by Damotech. Refer to the title of this document to identify the one provided for this proposal.

The engineering work performed by Damotech follows current pallet rack design and safety codes for the US^{1,2} or Canada^{3,4}

2.1 Conformity Inspection Mandates

A Conformity Inspection mandate consists of providing a visual inspection of the racking systems at the

facility and issuing an inspection report indicating the actions required to conform with current rack design and safety codes. All inspection data will be available on the Damotech web platform.

2.1.1 Description of service

The following items will be rendered:

- a) Damotech specialists will install small 3"x3" labels on the first upright of each rack system to inspect, to clearly identify them in the report.
- b) The specialists will walk the aisles and note all visible issues as to their conformity to A344 and/or RMI recommendations.
- c) After analysis of captured data, an engineered inspection report (in electronic format) is provided to CLIENT along with access to the Damotech web platform (yearly renewable).

2.2 Load Capacity Calculation Mandates

A Load Capacity Calculation mandate consists of collecting appropriate measurements of the rack systems, determining the load capacity of uprights and beams, issuing a load capacity engineering report and providing printed labels of the capacities to put on the systems for all users to see. The capacity of other elements such as wire mesh, fire sprinkler system ties and concrete slab are not part of this mandate. The load capacity information will be available on the Damotech web platform.

2.2.1 Description of service

The following items will be rendered:

- a) Damotech specialists will install small 3"x3" labels on the first leg of each racking system to be inspected, to clearly identify them in the report.
- b) They will take measurements of the configuration and dimensions of the racking systems to bring back to our office for calculation.
- c) An engineer will use these values to determine the load capacity of the systems in conformance with the MH16 or S16 standard and provide CLIENT with an electronic signed and sealed engineering report.

- d) CLIENT will receive access to the Damotech web platform where the report can be downloaded from.
- e) Load Capacity labels or plaques will be provided to CLIENT. Labels or plaques are to be installed by CLIENT.

2.3 Conformity Inspection and Load Capacity Calculation Mandates

This type of mandate includes the two services described above: Conformity inspection and Load Capacity Calculation.

2.4 Limitations

The capacities of wire mesh decking, plywood decking and/or other types frequently installed over the beams are not established in this study. The warehouse owner must ensure that the wire mesh or decking has sufficient capacity if used to transfer loads to the beams.

The load capacity of elements such as column splices and fire sprinkler system ties are not part of this mandate.

Work platforms (including those built of rack components) and mezzanines are not included in the scope of this load capacity calculation. Damotech does not check the slab capacity and assumes that it is designed for the capacity of the racks, therefore the calculation of concrete slab is not included in the mandate for any type of rack.

Mobile racks, roof supporting racks, homemade racks, AS/RS racks, Twinlode-type racks, ladders in racks, stacked racks, racks attached to the building, staircases, conveyors, mechanical equipment and other non-engineered racking structures (homemade racks) are excluded from the scope of work.

The racks evaluated by Damotech must be properly anchored to a concrete slab. The rack systems should not be attached to any building component (including columns, walls, roof, etc.) except when such connections are previously certified by a building engineer.

3. Client Obligations

CLIENT must provide the Damotech representatives with access to the racking aisles of the warehouse so that they can see the racking elements from up close. If available, plan view drawings of the facility would facilitate the effort in providing clear reporting to CLIENT. At all times, CLIENT is responsible to ensure the safety and security of its installations, and to inform the Damotech representatives of all potential hazardous situations in the work environment.

Please note, if a remobilization to site or additional inspection time is required due to circumstances beyond Damotech's control (i.e. areas to be inspected are encumbered with product or otherwise unable to be inspected adequately), additional charges may apply.

4. Condition of the facility and limitation of liability

Through the inspection process, CLIENT understands that it is hardly possible to inspect every weld of every beam and frame of a whole warehouse while the facility is in use. Therefore, Damotech cannot inspect the racking systems for all possible conformity issues and will not be responsible for the bad performance of inspected systems.

Damotech cannot certify the racking systems for load capacity unless all damages to the various components have been addressed.

In order for the load capacity calculation to be valid, CLIENT understands that the racking system has to be maintained damage free and compliant with current standards.

5. Damotech Resources

Damotech will assign this project to a professional engineer knowledgeable of the design standards of industrial racking systems that will supervise a team of Damotech specialists familiar with inspection and measurement of pallet rack systems.

6. Calendar / Schedule

The estimated time required to complete this work varies with demand. If one of the conditions is not met, the completion of the assignment might be delayed. Damotech cannot be held responsible for these delays. Damotech will inform CLIENT of the temporary cessation of the project and of the projected delay.

7. Deliverables

7.1 Conformity Inspection Mandates

- An engineering report (in electronic format) containing all issues noted during inspection. Anomalies are rated in terms of priority from High, to Moderate, to Low.
- The report contains drawings of the racking systems layout within the warehouse, linking the upright naming convention to a physical location.
- One Damotech web platform access for a year, allowing CLIENT to manage rack assets and issues.

7.2 Load Capacity Calculation Mandates

- An engineering report (in electronic format) presenting the calculations results of the load capacity of the qualified racking systems.
- The report contains drawings of the racking systems layout within the warehouse, linking the upright naming convention to a physical location.
- One Damotech web platform access for a year, allowing CLIENT to manage rack assets and issues.
- Load capacity labels are supplied at no additional cost (1 per bay). If CLIENT requires capacity plaques (between 25\$ to 35\$ depending on requirements), Damotech will provide a subsequent quote since the quantity of plaques will be determined after delivery of the load capacity report. The installation of the labels and the plaques is the responsibility of CLIENT. RESELLER may provide installation of these items upon CLIENT request for an additional cost.

7.3 Conformity Inspection and Load Capacity Calculation Mandates

The combined parts of the conformity inspection and load capacity calculation mandate deliverables.

8. Damotech's Quality Assurance

Within the framework of quality assurance, Damotech ensures an internal audit of the assignment. The report submitted to the customer is validated by a professional engineer.

9. Shift in Focus

In the event of a shift in focus of the assignment, Damotech will re-evaluate the project. This will also be the case for all additional services requested by the client.

10 Confidentiality

Throughout the duration of the project, Damotech will ensure that their personnel and all other persons involved, commits to taking all necessary measures to keep the information belonging to CLIENT confidential. Damotech will keep all information, documents and material related to the project in a secure location. Access to all project related materials will only be accessible to those involved with the project.

All authorized personnel are bound by a confidentiality agreement.
The obligation of confidentiality does not apply to information which:

- 1) is already known to the person to whom it is being divulged.
- 2) is already within the public domain.
- 3) is held by all third parties not under the obligation of confidentiality.
- 4) is disclosed by virtue of the law.

Damotech is required to advise CLIENT of all offences by anyone in this regard as soon as it becomes aware.

11. Responsibility

Damotech is being contracted by CLIENT to gather data. Damotech is covered by civil liability insurance limited to the amount of the current service agreement. CLIENT understands that Damotech's responsibility shall not be greater than its guarantee even in the event of execution errors or accidents.

CLIENT ensures that he is covered by civil liability insurance and is the contractor of this agreement.

12 Validity of Offer

This proposal is valid for 1 month. Damotech has the right to revise the lead time and prices after that period.

¹ ANSI MH16.1 (RMI) Specification for the Design, Testing and Utilization of Industrial Steel Storage Racks, Rack Manufacturers Institute, an affiliate Trade Association of Material Handling Industry of America.

² Consideration for the Planning and Use of Industrial Steel Storage Racks, Rack Manufacturers Institute.

³ CAN/CSA A344 - User Guide for Steel Storage Racks.

⁴ Prevention Guide - Safety of Pallet Racks, CNESST.











2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection

Final Audit Report

2026-04-06

Created:	2026-04-01
By:	James Burford (james.burford@ship8.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAdr-aGKNVP77dirY4owzLDBHz8UvzYWy

"2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection" History

-  Document created by James Burford (james.burford@ship8.com)
2026-04-01 - 3:04:07 PM GMT
-  Document emailed to edward maxwell (edward.maxwell@ship8.com) for signature
2026-04-01 - 3:06:09 PM GMT
-  Email viewed by edward maxwell (edward.maxwell@ship8.com)
2026-04-02 - 6:57:51 PM GMT
-  Document e-signed by edward maxwell (edward.maxwell@ship8.com)
Signature Date: 2026-04-02 - 6:58:39 PM GMT - Time Source: server
-  Document emailed to Dianne Stebbins (dianne.stebbins@ship8.com) for signature
2026-04-02 - 6:58:41 PM GMT
-  Email viewed by Dianne Stebbins (dianne.stebbins@ship8.com)
2026-04-02 - 7:08:08 PM GMT
-  Document e-signed by Dianne Stebbins (dianne.stebbins@ship8.com)
Signature Date: 2026-04-02 - 7:08:34 PM GMT - Time Source: server
-  Document emailed to Ron Capranos (ron.capranos@ship8.com) for signature
2026-04-02 - 7:08:37 PM GMT
-  Email viewed by Ron Capranos (ron.capranos@ship8.com)
2026-04-03 - 7:53:50 PM GMT
-  Document e-signed by Ron Capranos (ron.capranos@ship8.com)
Signature Date: 2026-04-06 - 8:11:57 PM GMT - Time Source: server



Agreement completed.

2026-04-06 - 8:11:57 PM GMT



Adobe Acrobat Sign

Re: Completed: "2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection"

From James Burford <james.burford@ship8.com>

Date Tue 7/7/2026 9:01 AM

To Christine Jenkins <christine.jenkins@ship8.com>

This is completed.



SHIP8 INC.

James Burford
Regional Facilities Director
311 International Trade Pkwy
Port Wentworth, GA 31407

www.ship8.com

C:912.507.7881

From: Christine Jenkins <christine.jenkins@ship8.com>

Sent: Monday, April 13, 2026 2:20 PM

To: James Burford <james.burford@ship8.com>

Subject: Re: Completed: "2026 04 01 SD2 - Damotech - Rack Load Capacity Inspection"

PO 26040456 is attached



SHIP8 INC.

Christine Jenkins
Purchasing Coordinator
550 Northport Parkway
Port Wentworth, GA 31407

DAMOTECH

Invoice

#73985

2026.06.30

Bill To

Ship8, Inc
45875 Northport Loop East
Fremont CA 94538
United States

Service At

SHIP8INC - (SD2)
550 Northport Pkwy
Port Wentworth GA 31407
United States

Terms and Conditions	Due Date	Quote No.	PO #
Net 30	07/30/2026	68241	26040456

QTY	Item	Description	Price/Unit	Total
1	E2S5000DT	Conformity Inspection & Load capacity calculation # of Dry/Cool Bays: 4863 bays (price good up to 5000 bays)	\$66,310.00	\$66,310.00
1	SOFT5000	Damotech Web Platform, 5000 Bays - Premium access 1 year - Rack Safety Management Software - Premium access, all features - Annual subscription, auto-renewal, cancel anytime - Up to five users per sites. Multi-site capabilities	\$835.00	\$835.00

Currency: USD

Subtotal	\$67,145.00
Tax	\$0.00
Total	\$67,145.00