



Dear Valued Supplier,

Velcro values the partnership built between our companies and anticipates continued growth. This is one of the many reasons we are continuously seeking opportunities with our partners to improve the quality and efficiency of our Procure-to-Pay process. As we explored options to offer our suppliers a flexible and scalable option to manage their cash flow, we joined forces with LSQ, a leading supply chain finance provider, to establish an early payment program for you, as well as become our payagent for all invoice payments moving forward. We are confident that as a valued supplier to Velcro, you will support this change

The program, called LSQ FastTrack, will provide the option to receive early payment of approved invoices. You can improve your cash flow at rates often lower than other working capital solutions for a nominal fee. The program is completely flexible; you control which invoices to select for early payment, and once enrolled, you can also opt-in for all future invoices to be paid early automatically once they are approved.

While enrollment is required for invoice payment, requesting early payment is entirely optional. We encourage you to look at the many benefits the LSQ FastTrack program provides:

- **Improved Visibility:** Get real-time visibility on outstanding invoices, whether you select early payment or not.
- **Supplier Success Team:** You now have direct access to LSQ's Supplier Success team to answer all payment queries.
- **No Obligation or Enrollment Fee:** There is no fee to enroll or for usage, and no obligation to request early payment.
- **Faster Payments:** Bypass payment terms and access cash 1–2 business days after invoice approval.
- **Manage Cash Flow:** Control when you get paid, allowing for flexible forecasting and growth.
- **Lower Financing Costs:** Lower priced than many forms of financing, without adding debt.
- **Decaying Rate:** If you request early payment, you have control of your fee based on the number of days payment is early.
- **Stronger Financials:** Improve your balance sheet and other financial metrics.

Our program with LSQ has formally started. In the coming days a member of the LSQ Team, Mya Carriere, will be reaching out to you to assist with your FastTrack enrollment. You may reach her directly via email at mcarriere@lsq.com or by phone at 407.563.7493. We are confident that as a valued partner of ours you will be supportive of this requirement.

Thank you for your continued partnership with Velcro and support of this initiative.

Bill Hamilton
Chief Financial Officer
Velcro