Supplier Regulation B – Transport and Packing Regulations of Würth Industrie Service GmbH & Co. KG ("WIS") for suppliers located in America and Asia

I Scope of application

(1) Supplier Regulation B - Transport and Packing Regulations (TPR) of Würth Industrie Service GmbH & Co. KG (WIS) are a component of the agreement for all individual orders. If the supplier or its vicarious agents culpably breach the provisions of the TPR of WIS, WIS can claim a blanket processing fee of EUR 100.00 per defect.

(2) The Incoterm in accordance with INCOTERMS 2020 between Supplier and WIS are as follows:

- for ocean freight: FOB
- for air freight: FCA

II Address of the recipient

(1) The address of the recipient shall be stated in the order and is to be applied for the respective order item to the shipping documents as well as commercial invoice.

(2) The four-digit stock location as well as the building numbers may vary and are to be taken into consideration by the suppliers. If there are several orders with different stock locations / building numbers and the same delivery date, are these to be packaged separately and furnished with the relevant shipping documents.

III Packaging of products / label / cardboard packaging

(1) The goods must be packaged in accordance with the packing unit specified by WIS in the order. The order form of WIS shall indicate the packing unit, which shall comply with the maximum last five digits of the WIS material number. Different batches may not be mixed within one packing unit.

(2) Each packing unit (PU) must be labeled or printed with the following information:

- WIS material number written out according to WIS order as well as barcode GTIN 128
- WIS article text
- Packing unit
- Manufacturing batch

(3) The minimum font size is 3.5 mm. The label must be fixed in a corner at the top of the largest surface of the packaging unit. This surface must be aligned upwards.

(4) The content of the individual packaging must correspond to the label.

(5) The packing unit (PU) has to be**:**

- suitable for robot-compatible handling and be liftable by vacuum seal on top side
- slip-resistant
- sufficiently stable that no further outer packaging is required
- made of primary fibre cardboard (kraft liner or semi-cellulose)
- maximum filled
- if closed in the middle sealed all around with at least one complete adhesive strip 50 mm wide
- for all other closure methods sealed by an all-around cross-over seal with an adhesive strip 50 mm wide
- sufficiently stable to ensure that each PU bears its own weight and that of the PU above

Further details are regulated by WIS delivery instruction 009.

(6) For oily goods an additional plastic bag has to be used.

IV Selection of the right packages / sorting / batch

(1) The supplier must ensure suitable packaging that is safe and secured for transport (§ 411 Commercial Code ("HGB")). Transport damages that are not accepted by insurers because of inadequate packaging shall be charged to the supplier.

(2) The goods are provided on pallets according to WIS delivery instruction 009.

(3) The maximum number of different items per pallet is five. The different articles are arranged horizontally in layers with the largest possible surface area. There must be a clearly recognizable separation of the different items on the pallet. Items with the highest weight are to be placed at the bottom of the pallet.

(4) Delivery positions weighing 90 kg or more are to be packed on a separate pallet.

(5) Mixed pallets are to be marked with a yellow label written "Mixed Pallet" placed on top of the pallet. Single-variety pallets are to be marked with a green label written "Single-Variety Pallet".

(6) Max. height of the loaded pallet incl. pallet base may not exceed 75 cm. Protrusions from the pallet base dimension are not permitted.

(7) Max. weight of a pallet with goods incl. packaging and load securing is 950 kg.

(8) Pallets must be stackable

(9) The load must be secured according to CTU Code as amended.

(10) Other loading equipment is permitted only for overlong goods. For articles with a length of more than 110 cm, the supplier must select load carriers and packaging that will ensure safe and secured transport.

(11) Threaded rods with a length of up to 110 cm must be secured with wooden stacking frames and a closed base (e.g. cardboard insert).

(12) An order position may not be spread in partial quantities across multiple packages, if the entire quantity fits on a single pallet

(13) Anti-slip mats must be placed directly on the pallet and the first layer of goods.

(14) The goods are to be delivered in single batches. Different batches of one order item must be packed on separate pallet.

(15) Partial deliveries are excluded. Exceptions must be agreed with the responsible purchaser before the goods are made available.

(16) Deliveries are to be processed conform to packing units. Partial quantities in inappropriate PU may not be included in the shipment.

V Purchase of euro pallets and wooden stacking frames

(1) Should the supplier require euro pallets and/or wooden stacking frames these can be obtained via Würth Logistics AG at the following Email:

- E-Mail: paletten@wurth-logistics.com

VI Goods accompanying documents

(1) In case of FCL delivery, the supplier shall issue one commercial invoice per container and one packing list per pallet per container. In case of LCL or air freight shipment one commercial invoice and packing list per consignment has to be issued.

(2) Commercial invoice and packing list are to be issued in German or English only. No other languages are accepted.

(3) The commercial invoice shall contain:

Header data:

- Supplier number
- Packing list number
- Invoice number
- Consignment number WIS (transport management system)
- Container number FCL
- Incoterm FOB port of loading
- Quantity of euro pallets with value
- Quantity of wooden stacking frames with value
- Total net weight
- Total gross weight

Position data:

- WIS order number
- WIS order position number
- WIS material number (18-digit)
- WIS article text
- Customs tariff number
- Batch number
- Delivery quantity
- Origin of goods
- Number of packaging units per item
- WIS storage location
- If product specific relevant: Best-before date or date of manufacture according to storage period
- For hazardous goods: corresponding declaration

(4) The packing list shall contain:

Header data:

- Supplier number
- Packing list number
- Invoice number
- Consignment number WIS (transport management system)
- Container number FCL
- Total number of pallets
- Pallet number or other clear reference to the package (e.g. 1/4, 2/4, 3/4, 4/4)
- Total net weight
- Total gross weight

Position data:

- WIS order number
- WIS order position number
- WIS material number (18-digit)
- WIS article text
- Customs tariff number
- Batch number
- Delivery quantity
- Origin of goods
- Number of packaging units per item
- Net position weight
- Gross position weight
- If product specific relevant: Best-before date or date of manufacture according to storage period
- For hazardous goods: corresponding declaration

VII Origin of goods

(1) The supplier is obliged to provide the origin of the goods by a Certificate of Origin Form A.

(2) If the supplier violates the aforementioned duties, it shall bear the costs for all expenditure and damages as well as all disadvantages (e.g. subsequent demands for foreign import levies, fines) which WIS incurs. This shall not apply if the supplier is not responsible for the breach of duty.

VIII Shipment registration / notification / documents / processing

(1) Suppliers based in Asia will receive the contact details for shipment registration from the respective booking agent.
(2) If booking agent is not known contact: TMIS@wuerth-industrie.com
(3) All queries regarding shipment notification should be sent to: TMIS@wuerth-industrie.com
(4) Contact details of WüLo for suppliers located in North and South America:
Wurth Industry North America
598 Chaney Ave
US-46143 Greenwood
E-Mail: transportation@wuerthindustry.com

IX Sea freight

(1) Following information and documents are to be sent to the respective booking agent for notification:

- Number of containers
- Number of pallets
- Shipment weight
- Estimated Time of Departure (ETD) - notification must be done at least 14 days before CRD (Cargo Ready Date)

(2) The supplier shall issue a commercial invoice and packing list as well as a Certificate of Origin Form A for each consignment. If the consignment comprises more than one container, the supplier shall issue one commercial invoice and packing list per container.

(3) The time when the documents are created depends on the ETD of the shipment.

(4) WIS expects the Bill of Lading in one of the following formats

- Telex release
- Seaway bill
- Surrendered

Other formats of the B/L are prohibited. The Bill of Lading must be made available 5 days after ETD.

(5) All of the above documents are to be sent to the following contacts, stating WIS consignment number in the subject line of the e-mail, no later than 5 calendar days after ETD:
- Individual booking agent
- Asia-Pacific@wurth-logistics.com
- TMIS@wuerth-industrie.com

(6) All original documents should be sent by the supplier to WIS to following address:

Procurement Logistics/Import
Würth Industrie Service GmbH & Co. KG
Industriepark Würth, Drillberg
97980 Bad Mergentheim
Germany

(7) Shipments with the same delivery day have to be combined into one shipment..

X Airfreight

(1) Air freight must be agreed in advance with the relevant WIS purchaser. Approval for air freight shall be granted exclusively by the WIS Procurement Logistics Department. No air freight may be charged to WIS without the written approval of WIS. Costs for special freight shall be distributed according to the "polluter pays" principle.

(2) The organization of the collection of the consignment is subject to the agreed Incoterm.

XI Hazardous goods

(1) Hazardous goods must be transported in accordance with the relevant valid transport regulations for hazardous goods.

XII Returns

(1) Goods returns have to be processed with incoterm FCA Bad Mergentheim. Costs are to be borne by supplier. The supplier is responsible for organizing the transport of returns accordingly.

(2) The necessity of return shall be agreed between WIS purchasing and supplier. Detailed information on the shipment, such as pick-up address, number of packages, shipment weight and documents required for customs clearance will be provided by WIS, Export.

(3) After documents required for customs clearance have been sent the supplier shall collect the goods within 7 days. From day 8 onwards the supplier will be charged a storage fee of EUR 50 per day. Container shipments are an exception, as they require a certain lead time. In this case a storage fee is only due from day 14 onwards.

XIII Concluding remark

(1) Queries regarding this supplier regulation are to be sent to:

- E-Mail: TUV-FO@wuerth-industrie.com