



Flex-N-Gate Companies Transportation Policy

A Handbook for Suppliers

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POLICY SCOPE

This policy, issued by Flex-N-Gate Corporation and its related companies, including but not limited to facilities in North America, Argentina, Brazil, China and Spain, (hereinafter collectively called Flex-N-Gate), is applicable as follows:

- To all Suppliers selling goods of any type to Flex-N-Gate Corporation and its related company facilities and,
- To all Shipments, regardless of mode and points of origin and destination, where freight costs will be borne either directly or indirectly by Flex-N-Gate Corporation and its related company facilities.

This policy is published supplemental to the Terms and Conditions document, and is not intended to supersede any provisions thereof.

As a handbook for Suppliers, this policy is designed to support formal issuance of Buyer instructions or Buyer requirements relative to transportation and shipping as noted in the Terms and Conditions. In the event of conflict between the Flex-N-Gate Companies Transportation Policy and the Terms and Conditions, the Terms and Conditions will apply.

This policy may be periodically updated and will be posted on the Flex-N-Gate website at www.Flex-N-Gate.com without additional notice to Suppliers. Suppliers may print copies of the policy from the website at will, which will reflect a revision level and effective date of the revision. Individual shipments will be governed by the version of the policy in effect as of the date of shipment. Suppliers are responsible to ensure that shipments are made in accordance with the current version of the policy as of the date of shipment.

Where noted within the Flex-N-Gate Companies Transportation Policy, individual plants may issue deviations from instructions found herein. Those deviations must be made in writing and indicate an effective date in order to have the effect of superseding the Policy. Provisions of the Policy not subject to deviation by Flex-N-Gate plants or facilities will be so noted.

FLEX-N-GATE LOGISTICS CONTACTS

Corporate Staff

Shelley Bessel	Director of Logistics & Customs Logistics Contracting and Carrier Negotiations	sbessel@ventra.us
Michelle Dynda	Logistics Specialist Tooling and International Moves	mdynda@flexngate-mi.com
Margot Meduvsky	Logistics Specialist Tooling and International Moves	mmeduvsky@flexngate-mi.com
Alex Kozma	Logistics Specialist Tooling and International Moves	akozma@flexngate-mi.com
Melvin Lake	Corporate Manager FNG Logistics / Private Fleet Operations	Melvinlake@Flex-N-Gate.com
Kimberly Grosshans	Logistics Analyst/Canadian Ops Bids, Special Project Reviews, Pricing Support	kgrosshans@flexngate-mi.com
Matthew Collier	Logistics Analyst AL, OH, KY, TN and West MI Ops	mcollier@ventra.us
Don DePestel	Logistics Analyst Eastern Michigan Plants	ddepestel@flexngate-mi.com
Gerardo Garcia	Logistics Manager Mexican Operations	gerardog@Flex-N-Gate.com.mx
Rich Setser	Corporate Fleet Supervisor Logistics Specialist	Rich.Setser@Flex-N-Gate.com
Lilian Wang	Logistics Specialist FNG China / Kunshan	lwang@fngkunshan.com
Rocio Aguado	Logistics Purchasing FNG Spain	Rocio.aguado@flexngate.es
Scott Thomas	FNG Corporate Security Supply Chain Security	sthomas@flexngate-mi.com
Paul Jacobs	FNG Customs Compliance Canadian & US Operations	pjacobs@flexngate.com

PLANT-SPECIFIC LOGISTICS CONTACTS

Suppliers needing to reach plant-specific logistics contacts should initiate discussion with the Purchasing contact for the specific facility. They may also contact one of the corporate resources noted above for assistance.

AUTHORIZED CUSTOMS BROKERS

US Imports (all origins except Mexico)

Dell Will Customs Brokers (USA) Inc
26480 Northline Commerce Drive
Taylor, MI 48180
Ph 734 946-3040 / Fax 734 946-4314 (Fax will route directly to after hours on-call)
Hours of Operation: 24/7
Email documents to:
ISF Submissions: Mark Phillips mphillips@dellwillusa.com

US Imports (Mexican origins by Border Crossing)

Inbound at all Texas Border Crossings

TCS LOGISTICS, LLC

CONTACT – ANETTE DIAZ
PHONE No - 956 753-4606
EMAIL – adiaz@grupo365.com
CELL PHONE – (956) 334-5781

CARGO 365, LLC. (Warehousing/Cross Dock Operations)

MAIN CONTACT – PAUL LICKERMAN
PHONE No.- (956) 753-4600
EMAIL – plickerman@grupo365.com
CELL PHONE – (956) 251-6642
ANOTHER CONTACT – ANETTE DIAZ
EMAIL – adiaz@grupo365.com
CELL PHONE – (956) 334-5781

Mexican Exports at Texas Border

GRUPO VIDALES

EXPORTS - NUEVO LAREDO
CONTACT – JUAN DE DIOS BRIONES
PHONE No.- +52(867) 719-0013
EMAIL – jbriones@grupovidales.com
RADIO (Nextel) – 52*134821*7

OPERATIONS MANAGER CONTACT (MAIN CONTACT FOR IMPORT OR EXPORT OPERATIONS, **MEXICO OR US**):
CONTACT: JOSE MARIA GONZALEZ
CEL No.: (956) 235-7165
EMAIL: jmgonzalez@grupovidales.com
PHONE No.: (956) 753-4600

Exports at Nogales : CAPIN VYBORNY LLC
Diego Diaz
Operations Manager
520-281-2066
ddiaz@capin-vyborny.com / maquila@capin-vyborny.com

Canadian Imports (all origins/all border crossings)

Ground Shipments

DHLGlobal Forwarding (Canada) Inc.
3950 Malden Road, Suite 6, Windsor, ON, Canada N9C 2G4
Ph 519-927-1994
Fax 519-972-1651
Hours of Operation: 24/7
Email documents to: Windsor.pars@dhl.com

Carriers can check PARS status at:

<http://www.dhl.itm.descartes.com/parstracker/>

All other inquiries on behalf of FNG companies: Judy.Bialkowski@dhl.com

Air/Ocean Shipments

DHL Global Forwarding (Canada) Inc.
6200 Edwards Blvd, Mississauga, ON, Canada L5T 2V7
Ph 289-562-6500 / 800-363-6481
Fax
Hours of Operation: 24/7
Email documents to: dgfca_yyz_cc@dhl.com

Mexican Imports

Primary Broker – All Locations except Hermosillo / Air, Ocean and Ground, unless otherwise noted below:

GRUPO 365

EXPORTS - NUEVO LAREDO

CONTACT – BENJAMIN CASTILLO

PHONE No.- +52(867) 719-0013

EMAIL -bcastillo@grupo365.mx

OPERATIONS MANAGER CONTACT (MAIN CONTACT FOR IMPORT OR EXPORT OPERATIONS, **MEXICO OR US**):

CONTACT: Mario Rodriguez.

CEL No.: (956) 235-3522

EMAIL: mrodriguez@grupo365.mx

PHONE No.: (956) 753-4600

For Manzanillo/ Veracruz/ Mexico City Airport; also Northbound Hazmat shipments:

GRUPO 365

CONTACT – HERNEL RAMOS

PHONE No.- +52(833) 219 0855

EMAIL hramos@grupo365.mx

For Queretaro Airport

LASER

CONTACT – FRANCISCO RODRIGUEZ

PHONE No.- +52(442) 314 2128

EMAIL frodriguez@laser.com.mx

FNG Hermosillo Only

SECOMEX LLC/FNG HERMOSILLO WHS

1590 W CALLE PLATA UNIT A

NOGALES AZ. 85621

Oscar Hernandez

520-281-9808

oscar@secomex.com.mx / warehouse@secomex.com.mx

For Customs Brokerage data for plants located outside of North America, please contact the involved plant for specific information.

DOMESTIC TRANSPORTATION RULES

ROUTINGS

Flex-N-Gate reserves the right to establish transportation routings for all shipments where the company will, either directly or indirectly, pay for the transportation service.

It is the responsibility of the Supplier to follow all routing instructions issued by Flex-N-Gate, contacting the routed carrier on behalf of Flex-N-Gate to support pickup/delivery as required by releases issued by the Flex-N-Gate plant. The routings contained herein are offered as default routings, applicable in the absence of plant-specific routings issued in writing by the impacted Flex-N-Gate facility or a member of the corporate logistics staff. If a routed carrier is not providing timely (within 24 hours of request/ready time) pickup services when notified of a shipment by the supplier, the supplier is to advise Flex-N-Gate of the issue and seek an alternate routing.

Suppliers are also obligated to properly identify the nature of the shipment as a less-than-truckload, truckload or small package shipment and follow the appropriate routing. Shipments improperly identified and tendered to carriers inappropriately generate excess charges, which may be charged back to the Supplier.

In the absence of special written instructions issued by the specific Flex-N-Gate facility, all shipments must be routed as follows:

- **Small Package** – shipments up to 250 lbs consisting of multiple packages. No single package over 149 lbs or exceeding the dimension limits published by the carrier on their website. All Flex-N-Gate facilities.
 - US locations only - UPS Consignee Billing – you do NOT need the Flex-N-Gate account number but will need to set up your UPS shipping system using the instructions found on our website. If you have difficulty with this process, contact sbessel@ventra.us or your local UPS representative for assistance.
 - Canadian Locations – UPS Ground Collect
 - IB to Mexican Operations – UPS Ground Collect to Laredo TX for San Jose, Puebla and Queretaro facilities
 - Overnight or Second Day service levels require written authorization from the Flex-N-Gate facility Materials, Logistics Analyst or Purchasing Manager, issued specifically for *EACH* shipment.

- Unauthorized use of any Flex-N-Gate small parcel account number will result in a debit in the amount of total charges, plus \$100 per occurrence against the vendor using the account.
- **Contact the Flex-N-Gate facility Materials, Logistics Analyst or Purchasing Manager at the plant if your lane is not identified here.**
- **Less Than Truckload – (LTL)** – shipments 250 lbs – 10000 lbs that consume less than 13 feet of trailer space. US and Canadian facilities only.
 - Preferred Regional Carrier is Holland – SCAC: HMES – All shipments originating **and** terminating within the geographical area identified as applicable to Holland as published on their website. Refer to www.hollandregional.com.
 - Preferred Long Haul Carriers are YRC – SCAC: RDWY **or** FedEx Freight Economy. All shipments either originating **or** terminating **outside** of the approved geographical area serviced by Holland.
 - **Suppliers are asked to pay particular attention to shipment dimensions when shipping via LTL. If a Holland shipment consumes 16’ or more of the LTL trailer when loaded or a YRC or FedEx Freight shipment exceeds 12’ of the LTL trailer when loaded, LTL rates may no longer apply. Seek a truckload routing or written ruling from the impacted Flex-N-Gate facility prior to shipment.**
 - **LTL in Intra-Mexico** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.
 - **LTL in Intra-Canada** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.
 - **LTL in non-North American locations** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.
- **Truckload – Van or Flatbed** – Also applies to large LTL shipments that take up more than 12 feet of space in a typical LTL trailer.
 - Routings will be issued in writing (email okay) by the Materials or Purchasing Manager of the responsible Flex-N-Gate facility OR by a member of the Corporate Logistics group, previously identified herein.
 - Unless otherwise noted in the routing, all shipments in the lane specified by the routing instructions will be handled by the same carrier.
- **Air / Ocean / Rail / Expedite** - Applicable to all facilities of the Flex-N-Gate family of companies.
 - Routings for air, ocean, rail and expedite (regardless of mode) will be provided in writing by the Materials or Purchasing Manager of the responsible Flex-N-Gate facility OR by a member of the Corporate Logistics group, previously identified herein.
 - Expedites resulting from the past due status of the supplier will be controlled and paid for by the supplier unless the FNG facility

determines that the supplier is not executing the expedite function effectively. Any expedites arranged by FNG staff on behalf of the past due supplier will be charged back to the supplier through the debit process. Under no circumstances will the supplier use any accounts owned, controlled or paid by FNG for the purpose of expediting past due materials.

- For all repetitive moves (non-expedite) and unless otherwise noted on the routing, all shipments in the lane specified by the routing instruction will be handled by the same carrier or freight forwarder.

SHIPMENT DOCUMENTATION

Suppliers are obligated to prepare accurate documentation of all shipments made to Flex-N-Gate, presenting the same to the routed carrier at the time of shipment. All LTL and Truckload shipments require a bill of lading or shipping order containing the key elements noted below and a packing slip.

International shipments require additional documentation, which are called out in the International Transportation Rules section of this policy.

- **Bill of Lading Requirements**
 - Full and correct addresses of both the Consignor and the Consignee.
 - Date of Shipment – actual date tendered to the carrier
 - A unique identifying number (may or may not be linked to the packing slip)
 - Freight Terms – COLLECT (or as established by the PO)
 - Full description of the product(s) being shipped
 - The description must be specific enough to allow for proper application or verification of a freight class and where applicable, include density detail (required for all shipments of plastic articles).
 - A part number by itself is an insufficient description, as are engineering specifications.
 - NMFC Descriptions are preferred, with part numbers or engineering specifications offered as supplemental information.
 - Accurate NMFC Freight Classification number applicable to the product being shipped.
 - Accurate Piece Counts – IE. 3200 pcs in 32 cartons on 1 pallet
 - Accurate Weights
 - The bill of lading weight must include all dunnage weight, not just the weight of the product being sold.

- Inaccurate documentation of weight is a common Supplier error, resulting in carrier re-weigh validations.
- If Flex-N-Gate is charged for re-weigh on an LTL shipment and the original bill of lading indicates that the Supplier did not accurately record shipment weight, any accessorial costs for the re-weigh may be charged back to the Supplier.
- In the event of misrepresentation of weight on a truckload shipment resulting in a necessary diversion or the assessment of fines against the routed carrier, Flex-N-Gate may recover the value of these fines from the Supplier, along with any additional linehaul or accessorial costs associated with the shipment resulting directly from the misrepresentation of weight.
- Carrier SCAC Code
- Specialized services requests (Protect from Freezing / Single – stack only / etc) – NOTE that specialized service fees are billed by carriers based on request and not whether or not services are actually necessary. Requests must only be noted if they actually apply. For example, protect from freezing should not be noted on the bill of lading for product shipping in June. Requests for inapplicable specialized services resulting in excess charges may be charged back to the Supplier.
- Legible signature of the carrier representative.
- HazMat shipments must be documented in accordance with all DOT rules and carrier requirements.
- Corrected bills of lading – when an error in preparation of the bill of lading provided to the carrier results in the need for the issuance of a corrected bill of lading the Supplier will present the carrier with said corrected bill. Any fees assessed for processing of a corrected bill of lading may be charged back to the Supplier, unless the original error resulted from erroneous information provided to the Supplier by Flex-N-Gate.
- **Packing Slip Requirements** – Packing slips must be securely affixed to the shipment in an envelope clearly identifying that the packing slip is enclosed.
 - Complete Sold To and Ship To Addresses
 - Actual date of shipment
 - Flex-N-Gate Purchase Order Number
 - Flex-N-Gate Release Number, where applicable
 - Unit quantity shipped, itemized by Flex-N-Gate Part Number

THIRD PARTY TRANSACTIONS

Suppliers may periodically be contracted to send shipments to an interim supplier on behalf of Flex-N-Gate. These shipments – referred to as third-party shipments—are to be handled as follows:

- **Routing Third Party Shipments**
 - Follow routing instructions issued by the plant or Corporate Logistics staff, if available
 - In absence of special routing instructions, refer to the default routing instructions contained herein.
- **Third Party Shipment Documentation**
 - **Bill of Lading**
 - Consignee address should reflect the name of the Flex-N-Gate facility issuing the Purchase Order, shipping in care of the interim vendor. IE: a shipment for Flex-N-Gate Forming Tech going to XYZ Tool Shop will be documented as follows on the bill of lading. Flex-N-Gate Forming Tech c/o XYZ Tool Shop 1234 Any Street Detroit, Michigan 48146.
 - Freight Terms should be noted as 3rd Party, instead of COLL.
 - Suppliers must add the correct 3rd Party bill to information for freight charges on the bill of lading, as noted below. This should be hand written on the bill of lading at the time of shipment if the Supplier system does not allow for systemic printing of this on the bill of lading.
 - **Packing Slip**
 - Sold to information should reflect the full name and address of the Flex-N-Gate facility issuing the Purchase Order.
 - Shipped to information should reflect the third party address to which the shipment is actually consigned.
- **Third Party Freight Billing Address**
 - 3rd Party Bills of lading for all US and Canadian Flex-N-Gate facilities should note the following billing address:
 - Flex-N-Gate Facility Name c/o Nolan & Cunnings, PO Box 2111, Warren, MI 48091-2111
 - 3rd Party Bills of lading for all Mexican Flex-N-Gate facilities should note the following billing address:
 - Use the full name and address of the Flex-N-Gate facility issuing the Purchase Order.

ADVANCED SHIPMENT NOTIFICATIONS

Flex-N-Gate facilities require suppliers to send advanced notification of shipments (hereinafter ASN) being made against a purchase order. In the majority of plants the ASN is a direct systemic feed to the Flex-N-Gate ERP system that enables receipt to

inventory. Suppliers are required to follow specific plant instructions for sending ASNs using the method established by the individual Flex-N-Gate facility at the time of shipment. The method may be traditional EDI, a web-based solution or in rare cases, a fax. Questions regarding this should be addressed to the Flex-N-Gate buyer or scheduler working with your shipping department on weekly releases, etc.

MODE EXCEPTIONS

Documentation requirements may vary slightly based on mode of transportation. Relative to Flex-N-Gate shipments, the following exceptions to the shipping documentation requirements noted above are identified below.

Small package shipments generally move using electronic submission of shipment information into a carrier-controlled system. This electronic record is sufficient in lieu of a bill of lading; however packing slips are still required to be affixed to the shipment itself. The Supplier is responsible to ensure all electronically submitted data, including addresses and zip codes, are correct.

Shipments moving via air may also require an airway bill of lading (hereinafter AWB) that will generally be completed by the Flex-N-Gate freight forwarder, although they may need additional information not generally provided on a standard bill of lading. When requested, Suppliers are required to provide additional information to support completion of the AWB, which may include but is not limited to, dimensions of both the unit pack and the standard pack.

Third-party or drop-shipped air cargo may require the signing of a known shipper document or a consent to search document by the airline/freight forwarder. Suppliers are authorized to sign these documents, even though product ownership during transit and risk of loss may belong to Flex-N-Gate.

INTERNATIONAL TRANSPORTATION

INCO Terms

Flex-N-Gate acknowledges and supports the application of standard International Commercial Terms, as developed and periodically updated by the International Chamber of Commerce. Current INCO terms are published at www.iccwbo.org.

INCO terms established by the Purchase Order will impact routing responsibility, risk of loss and transportation costs.

IMPORTER OF RECORD

For international shipments handled under all INCO terms except DDP, Flex-N-Gate, either directly or through a third party, will act as importer of record in the country of destination unless otherwise determined and documented in the Purchase Order.

Suppliers negotiating DDP terms with Flex-N-Gate must be legally able to act as importer of record in the country of shipment destination with all of the responsibilities, duties and legal obligations of that role. Responsibilities include but are not limited to:

- Processing of customs clearances
- Payment of all duties and taxes associated with the import
- Compliance with all of the laws governing importation in the country of destination, including proper legal identification of goods and records management
- In the case of ocean imports to the United States, for completing timely and accurate Importer Security filings with US Customs.

If a supplier negotiates DDP terms with Flex-N-Gate and it is determined at the time of shipment or at any time prior to delivery that the Supplier is not legally able to act as importer of record, Flex-N-Gate will NOT provide Power of Attorney to the Supplier or their representative to support customs clearance. Instead the Supplier or their representative must provide all customs documentation to the identified Flex-N-Gate broker for clearance processing. The Supplier must advance charges to the Flex-N-Gate broker by wire transfer to cover duty, taxes and brokerage fees. If unable or unwilling to advance charges, Flex-N-Gate will advance charges and reduce Supplier's invoice amount accordingly, plus an administrative fee.

C-TPAT COMPLIANT SHIPMENTS

Flex-N-Gate companies establish C-TPAT as our standard for security and uniformly adopt the provisions established by US Customs at <https://www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism>

To that end, all cross-border or ocean shipments destined for a Flex-N-Gate facility must be:

- Sealed with a high security cable or bolt seal in accordance with ISO17712 requirements.
- Seal numbers must be printed on the bill of lading issued for the shipment.
- Only company employees may remove or affix high security seals.
- Upon delivery, a 7-point inspection will be completed on all international loads.

IMPORTER SECURITY FILINGS

In the case of ocean shipments destined for the United States, responsibility for timely and accurate Importer Security Filings (hereinafter ISF) is held by the importer of record. Foreign suppliers negotiating DDP terms with Flex-N-Gate are encouraged to research and understand the requirements of ISF as well as the structure of penalties assessed by US Customs for failure to comply. Information is published by US Customs on their website – www.cbp.gov

ISF filings must be submitted prior to vessel departure through a contractor authorized by US Customs and Border Patrol. The contractor must have Power of Attorney for the importer of record.

If a supplier negotiates DDP terms with Flex-N-Gate and it is determined at the time of shipment that the Supplier is unable to legally act in this regard, then Flex-N-Gate will contract the submission of the ISF information through its designated US broker and will reduce Supplier's invoice amount by the cost of this filing, plus an administrative fee.

If the determination of Supplier's ineligibility to act as importer of record happens after shipment departure AND it is determined that ISF submissions were not completed prior to vessel departure additional penalties will apply. Flex-N-Gate will contract the late submission of the ISF information through its designated US broker and will reduce Supplier's invoice amount by the cost of the filing and the anticipated amount of the penalty assessed by US Customs and Border Patrol for failure to file within the established time limits, plus an administrative fee.

Suppliers shipping via ocean under terms other than DDP are required to assist Flex-N-Gate and its representatives with the timely collection of data used in completing the ISF submission. Specific requirements are identified in the International Transportation Rules Documentation section of this Policy.

See additional information under International Shipment Documentation section of this Policy.

SAFETY OF LIFE AT SEA / SOLAS 2016 REQUIREMENTS

Suppliers shipping via ocean in full container quantities to any Flex-N-Gate facility globally (FCL) are required to implement processes to ensure that all containers stuffed at their facilities are validated for the accuracy of the gross weight of the container using one of the two methods approved by the International Maritime Organization and called out in the 2016 Safety of Life at Sea (SOLAS) convention. Freight Forwarders and/or Non-Vessel Operating Common Carriers performing consolidation of LCL ocean freight services on behalf of Flex-N-Gate are also required to comply.

The cost of any expedite of goods required as a result of a container being excluded from loading on the planned vessel for non-compliance with SOLAS will be assessed

against the non-compliant supplier in the form of a debit against monies owed for the value of the goods or service provided.

INTERNATIONAL ROUTINGS

- **Small Package** – shipments up to 250 lbs. All Flex-N-Gate facilities.
 - UPS Ground Collect for in-continent shipping, unpalletized, no single box weighing in excess of 149 lbs and no dimensions exceeding the limits published by UPS Ground on their website. If you have difficulty with this process, contact sbessel@ventra.us for instructions or assistance.
 - UPS International Economy air service levels require written authorization from the Flex-N-Gate facility Materials, Logistics Analyst or Purchasing Manager, issued specifically for *EACH* shipment.
 - Blanket authorization may be given for your account for Ground Service or Economy Air. Priority Air, Overnight or Second Day service require written authorization issued specifically for *EACH* shipment.
- **Less Than Truckload – (LTL)** – shipments 150 lbs – 10000 lbs that consume less than 13 feet of trailer space. US and Canadian facilities only.
 - Preferred Regional Carrier is Holland – SCAC: HMES – All shipments originating **and** terminating within the geographical area identified as applicable to Holland as published on their website. Refer to www.yrcregional.com and select the Holland option.
 - Preferred Long Haul Carrier is YRC – SCAC: RDWY – All shipments either originating **or** terminating **outside** of the approved geographical area serviced by Holland.
 - **Suppliers are asked to pay particular attention to shipment dimensions when shipping via LTL. If a Holland shipment consumes 16' or more of the LTL trailer when loaded or a YRC shipment consumes more than 12' of the LTL trailer when loaded, LTL rates may no longer apply. Seek a truckload routing or written ruling from the impacted Flex-N-Gate facility prior to shipment.**
 - **LTL in Mexico** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.
 - **LTL in Canada** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.
 - **LTL in non-North American locations** – Shipments should be made according to routings issued by the impacted Flex-N-Gate facility.

- **Truckload – Van or Flatbed** – Also applies to large international LTL shipments that take up more than 12’ of space in a typical LTL trailer.
 - Routings will be issued in writing (email okay) by the Materials or Purchasing Manager of the responsible Flex-N-Gate facility OR by a member of the Corporate Logistics group, previously identified herein.
 - Unless otherwise noted in the routing, all shipments in the lane specified by the routing instructions will be handled by the same carrier.
- **Air / Ocean / Rail / Expedite** - Applicable to all facilities of the Flex-N-Gate family of companies.
 - Routings for air, ocean, rail and expedite (regardless of mode) will be provided in writing by the Materials or Purchasing Manager of the responsible Flex-N-Gate facility OR by a member of the Corporate Logistics group, previously identified herein.
 - Expedites resulting from the past due status of the supplier will be controlled and paid for by the supplier unless the FNG facility determines that the supplier is not executing the expedite function effectively. Any expedites arranged by FNG staff on behalf of the past due supplier will be charged back to the supplier through the debit process. Under no circumstances will the supplier use any accounts owned, controlled or paid by FNG for the purpose of expediting past due materials.
 - For all repetitive international moves (non-expedite) and unless otherwise noted on the routing, all shipments in the lane specified by the routing instruction will be handled by the same carrier or freight forwarder.

INTERNATIONAL SHIPMENT DOCUMENTATION

Suppliers are obligated to prepare, using their own staff and expertise, accurate documentation of all international shipments made to Flex-N-Gate or on behalf of Flex-N-Gate, presenting the same to the routed carrier at the time of shipment. Documents are also to be provided electronically to the Flex-N-Gate customs broker simultaneously with carrier departure for all shipments tendered other than DDP. In addition to the documents described in the domestic transportation segment of this policy, international shipments require additional documentation as noted below.

In the event the supplier is unable or unwilling to create the necessary documentation, Flex-N-Gate Logistics staff will prepare said documentation in exchange for a 2% reduction of the invoice price of the shipment in question, subject to a \$100 US minimum charge.

Commercial Invoice Requirements – all international shipments must be accompanied by a commercial invoice that meets or exceeds the legal requirements of the country of shipment origin and the country of shipment destination. At a minimum it must include the following:

- **Exporter of Record Data** – including legal name, address and tax ID number/exporter ID number
- **Importer of Record Data** – including legal name, address and tax ID number/importer ID number
- **Unique Invoice Number**
- **Consignee Data, if other than the importer of record** – including legal name and address
- **Detailed Description of Commodities Shipped** – include material content, form, whether items are new or used, Flex-N-Gate part number if applicable, etc. Description must be able to support determination of a proper Harmonized Tariff Code. Include the Harmonized Tariff Code if known. NOTE: The description MUST include more than just the part number.
- **Exact Quantity Shipped in Billing Units** – if you invoice by the pound, the commercial invoice should show the number of pounds shipped; if by the piece, then the number of pieces.
- **Unit Price** – listed in currency of the destination country
- **Total Charges** – listed in currency of the destination country
- **Cost of Associated Freight** – contact Flex-N-Gate Logistics if freight charges are Flex-N-Gate responsibility.
- NOTE: Sample Commercial Invoices are provided by several companies via the Internet. Our US broker offers the following: <http://dellwill.com/FillableFormsLink.htm>
- **Certificate of Origin** – All international shipments must be accompanied by a certificate of origin that meets or exceeds the requirements of the destination country Customs office. This document attests to the origin of the product being shipped from a manufacturing standpoint, NOT from a shipment standpoint. For materials moving between points in North American, this may be referred to as the NAFTA Certificate of Origin. At a minimum it should contain the following:
 - **Exporter of Record Data** – name, address and tax ID number
 - **Importer of Record Data** – name, address and tax ID number
 - **Date of Issue** – may be a blanket issue, if your company will ship the same product more than one time in a single 365 day period. If issuing a blanket certificate, be sure to following proper date formats and rules.
 - **Manufacturer or Producer** – name, address and tax ID number of the manufacturer of the goods. If products being shipped are produced by multiple manufacturers, it is acceptable in most

- cases to note that producer/manufacturer data will be specifically provided upon request from Customs.
- **Accurate description of the product(s) being shipped.**
 - **Harmonized tariff code for each product being shipped as applicable in the destination country (six digits acceptable in most cases)**
 - **Preference criterion** – see specific document instructions for further description.
 - **Producer** – see specific document instructions for further description.
 - **Method of establishing origin content** – see specific document instructions for further description.
 - **Country of Origin**
 - **Name, title and signature of issuing agent**
 - **Date of issue**
 - **Phone and Fax number of the issuing agent**
 - NOTE: US Customs has a sample NAFTA Certificate of Origin, along with appropriate instructions for completion, available via the Internet at the following link.
 - http://forms.cbp.gov/pdf/CBP_Form_434.pdf
 - TOOLING SUPPLIERS: A valid certificate of origin is part of the documentation required to support payment. Please refer to your Purchase Order for specific instructions as to when the Certificate of Origin must be submitted.
 - OUTSIDE CERTIFICATION: Flex-N-Gate does not require companies to secure outside certifications from a third party for the purpose of validating origin of goods, unless it is a requirement of the government of the country from which you are shipping.
 - **Importer Security Filing Form** – applicable for ocean shipment destined for the US only; applicable for all INCO terms EXCEPT DDP. **Note – if shipping DDP, the shipper is expected to be able to act as importer of record in the United States and retains all legal responsibility and liability for accurate ISF submissions.**
 - Template sample is attached.
 - For all repetitive movements where Flex-N-Gate will act as importer of record in the United States, the Corporate Logistics office will issue a master template specific to the lane of repetitive traffic, along with the routing instructions for the lane.
 - Suppliers must complete all of the applicable blanks on the form **for each shipment**, providing an electronic copy to the freight forwarder along with all other pertinent shipment documents.
 - The freight forwarder is responsible for providing the house bill number, master bill number, container number and container

type data and will then forward all necessary documents to the Flex-N-Gate broker for processing.

SUPPLIER-CONTROLLED TRANSPORTATION

Suppliers will be responsible for the control of transportation in the following situations:

- The Purchase Order issued by FNG indicates INCO terms that expressly give the supplier freight responsibility; OR
- The supplier is past due to releases and is required to expedite at their expense to avoid shutdown of production at the FNG facility
 - The supplier will not use any account owned, controlled or paid by FNG for the purpose of expediting past due materials.
 - FNG reserves the right to assume control of the booking of said shipments if the supplier fails to contract services in a timely and effective manner, charging back the vendor for the cost plus an administrative fee through the debit process.

FNG facilities will not accept PPD/ADD terms for transportation controlled by the supplier and will accept no liability for freight charges associated with shipments made while a supplier is in past-due status beyond the cost of normally routed freight.

Suppliers are required to properly certify that supplier-controlled/contracted carriers providing transportation into or out of any Flex-N-Gate facility of behalf of the supplier are properly licensed and insured and in compliance with all DOT, workman's compensation or other governmental regulatory agency rules and regulations, as well as aware of and compliant with the provisions of this policy. If the carrier is working on behalf of the supplier in an international lane, the carrier must be actively enrolled in a cross-border security program, such as Partners in Protection (PIP) and/or CTPAT.

Suppliers are required to ask the issuing buyer for the name and contact information of the appropriate transportation or logistics person at the receiving Flex-N-Gate facility that can assist supplier-controlled carriers with compliance to the policies and practices established herein and to relay that information to their selected carrier(s) prior to the shipment of any materials under the terms of the purchase order.

Supplier-controlled carriers servicing Flex-N-Gate locations and their drivers are expected to familiarize themselves with the transportation policies and practices of the receiving Flex-N-Gate facility. This includes, but is not limited to,

- Safety Compliance
 - Contractor Awareness Packet
 - If the Flex-N-Gate location has a contractor-awareness program, supplier-controlled carriers are required to comply with all of the mandates of that program.

- In the event of a conflict between the instructions contained in a plant-issued contractor-awareness program document and this policy, the contractor-awareness program document will prevail.
- Vehicle safety
 - Adherence to all posted speed limits; in the absence of a posted speed limit, transit speeds should not exceed 10 mph within the confines of any Flex-N-Gate yard, driveway or parking area or 5 mph in areas of high congestion.
 - Unless otherwise approved by Flex-N-Gate logistics staff and with the exception of ocean containers or steel scrap trailers, trailers older than 10 years (manufacturers identification plate must be intact) are not permitted on Flex-N-Gate property.
 - Trailers in condition to allow for safe docking
 - Trailers in condition to allow for safe unloading, by mechanical means
 - Tractors and trailers are free from leaks of any fluids
 - Tractors are equipped with spill-kits in the event of any leaks on Flex-N-Gate property.
 - Carrier retains liability for all costs associated with any legally required clean-up of spills of toxic, hazardous or other liquids or materials on Flex-N-Gate property resulting from their direct participation in the delivery process or their handling or maintenance of any equipment they bring onto Flex-N-Gate property.
- Driver safety
 - Drivers will wear appropriate personal protective equipment as required by the facility where delivery is being made
 - Drivers will follow all rules applicable to truck drivers established by the Flex-N-Gate facility, including access to buildings and dock areas
 - Drivers will follow the reasonable instructions of Flex-N-Gate personnel while on the property
- Security Compliance
 - Under no circumstances will a weapon of any type be brought onto the premises of any Flex-N-Gate facility, regardless of the driver's possession of a lawfully-issued carry permit, unless state law provides an exception.
 - Carriers will follow all posted instructions for building and property security at the Flex-N-Gate location, including any verbal instructions issued by a member of the Flex-N-Gate security team, staff or management.
 - This includes but is not limited to proper check-in at Security Gatehouse locations where indicated, wearing of visitor or contractor badges while on Flex-N-Gate property, parking or conducting business

- in areas identified as established for contractors or drivers, non-use of cameras or camera-equipped cell phones while on the premises, etc.
- When picking up at a secured Flex-N-Gate location, supplier-controlled carriers are required to identify to the guard on duty what they are picking up or delivering, using a pick up number as applicable or the name of the Flex-N-Gate associate provided to the supplier as the local contact.
 - **See additional requirements for C-TPAT security rules on Page 14 herein under International Transportation.**
 - Receiving Hours
 - Carriers will arrive for loading/unloading during the receiving hours established by the Flex-N-Gate facility at which delivery is being tendered.
 - If the Flex-N-Gate facility utilizes window or appointment times for delivery, the carrier is expected to contact the facility at least 24 hours in advance of any delivery attempt for a window assignment or appointment.
 - Unloading Practices
 - Carriers will allow up to 2 hours free time for unloading of full truckloads of material at any Flex-N-Gate facility with said free time starting at the scheduled window time.
 - Carriers arriving for unloading fifteen or more minutes late for the scheduled window time or without benefit of an appointment will be unloaded when they can be worked into the established unloading schedule.
 - In the event that unloading time exceeds 2 hours and carrier arrived for delivery at their scheduled window, Flex-N-Gate will honor invoicing for detention when submitted within fourteen (14) days of occurrence and subject to proper documentation, up to a maximum of \$50/hour billed at 15 minute increments. Invoices for detention must include the following:
 - Record of window or appointment time
 - Record of actual arrival time
 - Record of time of completion of unloading
 - Signature of driver
 - Signature of Flex-N-Gate personnel acknowledging that detention applies and a reason for the delay in unloading
 - In the event carrier's documented times vary from times recorded by Flex-N-Gate security, Flex-N-Gate security records will prevail in determining assessment of detention.
 - Invoices will be submitted to the applicable audit company or the Flex-N-Gate facility itself, in accordance with the normal freight payment practices of the facility.
 - Carriers making bulk deliveries are expected to have all necessary equipment to support bulk delivery, including but not limited to hoses,

pumps, etc., as may be required for the safe unloading of the commodity being transported and will provide the same without additional cost to Flex-N-Gate unless advance arrangements have been made with the Flex-N-Gate facility prior to arrival for unloading.

In the rare instance where a purchase order is issued giving a supplier control of the selection of carrier, but where Flex-N-Gate is responsible for direct payment of freight costs to the supplier-selected carrier, the supplier is obligated to notify the carrier of the existence and content of this policy. They are further obligated to facilitate the effective working relationship between the carrier and Flex-N-Gate as follows:

- Notification to Flex-N-Gate of the name and contact information for the selected carrier at least seven (7) days prior to the initial shipment with subsequent and equal advance notice of any change in carrier.
- Assurance that the carrier will provide a copy of all applicable pricing to Flex-N-Gate in advance of the first shipment to allow for accurate auditing of carrier charges.
- Assurance that, where carrier rules tariffs contradict the provisions of this policy in any respect, this policy will prevail.
- Assurance that carriers will provide complete and accurate remittance information enabling the assigning of a vendor master number to the carrier (plant-specific) prior to the submission of any invoices.
- Assurance that carriers are provided with the proper bill-to information applicable for the Flex-N-Gate plant to which delivery is being tendered, whether it is to a pre-payment audit agency or to the plant itself.
- Assurance that carriers are aware that all invoicing must be accompanied by a copy of the bill of lading, proof of delivery and proof of all billed ancillary/accessorial charges.
- Assurance that Flex-N-Gate standard freight payment terms will be honored over any terms published by the carrier.

Suppliers controlling transportation under any conditions identified herein will be called upon to resolve any issues arising from their selection of carriers, the services provided by those carriers and their performance or policy compliance while on Flex-N-Gate property. In the event that a resolution to the issues between the carrier and the Flex-N-Gate facility are not able to be resolved by the supplier, the supplier will secure an alternate carrier to provide services to Flex-N-Gate without penalty either financially or respective of timely deliver of product to Flex-N-Gate.

Supplier-controlled carriers are encouraged to contact Melvin Lake or Shelley Bessel, listed herein under the Corporate Logistics contacts, for further clarification of the terms of this policy.

NON-COMPLIANCE PENALTIES

Suppliers should be aware that failure to comply with the instructions contained herein may result in financial penalties to offset any excess charges incurred by Flex-N-Gate, along with a reasonable administrative fee. These charges will be assessed upon discovery of the compliance failure in the form of a debit taken against any monies owed, either currently or against future shipments.

CLARIFICATIONS OR ASSISTANCE

If any portion of this document is not clearly understood, suppliers are encouraged to contact the Flex-N-Gate buyer or Shelley Bessel in the Corporate Logistics contacts first noted in this document for clarification.

Change History				
No.	Reason for Change	Changed By	Rev.	Date
1.	Document release in InteleX	Margot Meduvsky	6	May 24, 2016
2.	Section 4c - added C-TPAT Compliance for International Shipping language, Added Scott Thomas and Paul Jacobs to Corporate Contacts, Updated Operations Manager Mexico contact, Updated Mexico Import contact at FNG Hermosillo	Shelley Bessel	7	January 1, 2017
3.	Added document number; Updated Corporate Staff Contacts, removed Kuehne & Nagel and added DHL to Canadian Imports contacts. Added responsibility language to Routings section.	Shelley Bessel	8	August 1, 2017