

Logistics guidelines for suppliers

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1 The aim of the directives

The logistics directive regulates the logistical integration of suppliers for production materials to the VORWERK plants. The requirements contained therein are based on the conditions necessary for the imaging of stable logistics processes between suppliers and the plants of VORWERK in terms of a prolonged partnership. The logistics policy is an integrated part of the VORWERK quality directive and defines the required logistical scope for the offered price.

In contradiction to the individually agreed rules / regulations, the legal country individual provisions of the specific VORWERK production plant apply. Basically, these logistics guidelines already apply to all requests from VORWERK. Additional requirements or deviations from the logistics policies are governed by VORWERK in a specific framework contract and will be communicated to the supplier in written form after request.

These logistics guidelines apply to the following factories (in the text also called VORWERK):

- **VORWERK AUTOTEC GmbH & Co. KG**
Obere Lichtenplatzer Str. 336, 42287 Wuppertal, Germany
- **VORWERK DRIVETEC GmbH**
Obere Lichtenplatzer Str. 336, 42287 Wuppertal, Germany
- **VORWERK + Sohn GmbH & Co. KG**
Obere Lichtenplatzer Str. 336, 42287 Wuppertal, Germany
- **VORWERK AUTOTEC Polska Sp. z o. o.**
ul. Podgórna 100, 87-300 Brodnica, Poland
- **Saminex Sp. z o. o.**
ul. Podgórna 100, 87-300 Brodnica, Poland
- **VORWERK AUTOTEC (Suzhou) Ltd.**
Hucundang Road, Caohu Industrial Park 36, Xiangcheng Economic Development Zone,
215000 Suzhou, P. R. China
- **VORWERK DRIVETEC (Suzhou) Ltd.**
Hucundang Road, Caohu Industrial Park 36, Xiangcheng Economic Development Zone,
215000 Suzhou, P. R. China
- **VORWERK AUTOTEC de Mexico S.A. de C.V.**
Av. Villa de Lagos Sur 1080, Parque Industrial Colinas de Lagos, 47515 Lagos de Moreno,
Jalisco, Mexico
- **VORWERK DRIVETEC de Mexico S.A. de C.V.**
Av. Villa de Lagos Sur 1080, Parque Industrial Colinas de Lagos, 47515 Lagos de Moreno,
Jalisco, Mexico

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- **VORWERK Automotive de Mexico S.A. de C.V.**
Av. Villa de Lagos Sur 1080, Parque Industrial Colinas de Lagos, 47515 Lagos de Moreno, Jalisco, Mexico
- **VORWERK AUTOTEC Serbia d.o.o.**
Ulica Peter Coellen 2, 32212 Preljina, Cacak, Serbia
- **VORWERK DRIVETEC Serbia d.o.o.**
Ulica Peter Coellen 2, 32212 Preljina, Cacak, Serbia
- **ELDISY GmbH**
Buschstückenstr.12, 39638 Gardelegen, Germany
- **ELDISY Slovakia spol. s r.o.**
L. Stúra 1, SK – 01841 Dubnica nad Váhom, Slovakia
- **Eldisy de Mexico S.A. de C.V.,**
Av. Villa de Lagos Sur 1080, Parque Industrial Colinas de Lagos, 47515 Lagos de Moreno, Jalisco, Mexico
- **ELDISY Serbia d.o.o.**
Ulica Peter Coellen 2, 32212 Preljina, Cacak, Serbia

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2 Terms and abbreviations

BGV	German insurance association regulations
TIR Carnet	Carnet international carriage of goods by road vehicles
ATA Carnet	Temporary Admission Carnet / Temporary Admission
DDP	Delivery Duty Paid
DIN	German Standards Institute
EN	European Standards
ESP	External Service Provider
FD	Free Delivery
ISO	International Organization for Standardization
IT	Information Technology
KLT	Small Load Carriers
LAB	Delivery Call Off
LSP	Logistical Service Provider
MEK	Material Purchasing Department of Vorwerk
n.i.O.	Not ok
QC	Quality Control
SCM	Supply Chain Management
VDA	Association of German Automobile Industry
VDI	Association of German Engineers
MRP	Material Requirement Planner

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3 Delivery item

The delivery item is explained in more detail in the valid delivery schedules and individual orders. The resulting individual releases are transmitted to the supplier by VORWERK according to the customer requirements of VORWERK. Changes shall be promptly sent to the supplier.

Billing address, business address, registered address and the receiving and delivery addresses, which are specified in Appendix 1.

4 Production and logistics system

The needed available production capacity is regulated by the order of the VORWERK customer. The delivery quantities are defined by the delivery schedule. The call-offs of the VORWERK customers form the basis of the call-off planning from VORWERK to the supplier.

The supplier is obliged to supply within the agreed delivery time a 100 % parts availability and a 100% delivery performance in terms of volumes, deadlines and quality in accordance with the delivery schedules to ensure and maintain the necessary required requirement dates. The responsibility for the availability and storage of guaranteed stocks, which go beyond the required two weeks, is the supplier's decision and responsibility.

5 Logistics Information

5.1 Communication with business partners

The communication of business data and the exchange of call-offs are to be carried out by standardized electronic message records (VDA, Odette). The Association of Automotive Industry Registered Association (VDA) has published recommendations for the development of a communication link base.

The supplier is obliged, to support the use of electronic data interchange (electronic data interchange - EDI). VORWERK presupposes the EDI-implementation in the field of business data communications. Where no such EDI link exists, the supplier shall actively connect to the VORWERK IT (kdv@vorwerk-automotive.de).

In an EDI test phase between VORWERK and the supplier, the information exchange EDI will be temporarily transmitted by mail / fax. If a stable test communication is established, the operation of the EDI process mutually put into operation and substitutes the parallel mail / fax message. Basically, the VORWERK EDI data exchange mapping specifications must be complied with.

5.2 Requirements planning

Exchange of messages by EDI in the VDA is a VORWERK standard. The suppliers EDI incoming call-off information will be incurred to the respective production planning system of the supplier. The requirement shall be notified based on delivery schedules (LAB), which are transmitted via EDI. In exceptional cases, for example in the case of interruption of the EDI connection or in the case of a not yet established EDI connection, the transfer of the call-off information can be carried out by fax / Email.

The release quantities are defined according to the customer specifications in fixed and forward-looking periods and are sent weekly to the supplier. The supplier shall plan the accepted automotive industry variation amount of +/- 20 %. Deviations may arise during the project production period. Such variation changes will result in a new call off. For the delivery of the respective parts, the valid LAB is relevant. Call-offs are valid until they are replaced by a new call off (The new LAB number replaces the old LAB number).

5.3 Data processing of the supplier

5.3.1 Behaviour in case of irregularities

The supplier is obliged to check incoming call offs for completeness and accuracy. Should irregularities occur, for example in the form of not continuously ascending transmission numbers, this is to be immediately clarified with the appropriate and relevant contact at VORWERK.

5.3.2 Plausibility check

The supplier is obliged to check the incoming calls for plausibility. Should irregularities occur, for example quantitative changes >20% or date changes in the purchasing conditions schedule, such changes are to be report immediately to the appropriate and relevant person at VORWERK.

5.3.3 IT system changes

Should the supplier plan any alterations to their IT system and such changes affect VORWERK, they shall immediately inform VORWERK in advance stating the reasons for the modifications and to coordinate the change implementation. The supplier is obliged to update the parameter sheet that is sent to them and forward it to VORWERK. Together with the SCM and IT of VORWERK will decide on any further action, such as the further implementation of system tests.

5.3.4 Technical problems / failures

All problems that occur at the supplier that may have an impact on VORWERK manufacturing along with the introduced rectification measures are to be immediately communicated to the appropriate person at VORWERK by phone and in written form (Email, fax). In addition, the supplier must ensure that a failure of its IT systems does not lead to delivery problems and that it has no impact on the deliveries or the production of VORWERK.

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5.4 Data exchange

5.4.1 Delivery schedule VDA 4905 (LAB)

The delivery schedule according to VDA 4905 is used for transmitting requirements and is binding for the supplier. Delivery schedules are triggered by the issue of a new assignment of requirement, postponement, quantity changes, changes in the unloading location and cancellations. All necessary shipping information will be given in addition to the scheduled date and quantities. The mapping specifications of VORWERK are to be met accordingly.

The agreed delivery dates/ pick-up dates and deadlines in the call-offs are binding for the supplier. The delivery schedules of VORWERK become binding if the VORWERK supplier does not object in a written form within 5 working days of receiving day of the schedule. Should a delivery hazard occur, then the supplier must immediately inform the competent Material Requirement Planner of VORWERK.

As soon as the supplier of parts agrees a delivery plan with VORWERK, the supplier shall hold at all times a stock availability of finished parts of at least two weeks. Regardless of the supplied products, the VORWERK scheduling quantities are binding for the duration of one month (30 days). Moreover, the quantities indicated in the delivery schedule are to be held for a further two months solely according to the VORWERK planning but are binding for the supplier.

5.4.2 Delivery note and transport data

The information on the VDA 4994 Delivery data document, on the VDA 4902 (label) and on the VDA 4922 shipping order, must all correspond.

5.5 Information conduct

5.5.1 Information and response in times of shortage

The supplier has to ensure that questions raised by VORWERK in respect of delivery capability, are answered within one working day. For escalation requests marked "urgent", for example in the case of a threat of supply disruption, the feedback from the supplier is necessary within one hour. All and every expected delivery bottleneck for delivery dates or quantities from the supplier of VORWERK that may result in an impact on the supply for VORWERK is to be immediately notified to the responsible Material Requirement Planner of VORWERK.

The delay notification must be made to the VORWERK Material Requirement Planner and contain the following information:

- Reason for the supply shortage
- Impact on delivery quantities and dates
- Remedial measures including action plan

VORWERK must be informed when the supply bottleneck has been eradicated. An action plan must also be submitted to ensure and demonstrate that the supply bottleneck will not re-occur (see 6.3 Emergency supply plan).

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5.5.2 Organisation

The supplier must appoint a contact partner who can make reliable and competent decisions concerning the delivery process along with the name of his/her representative. The contact persons must have sufficient knowledge of the agreed material planning processes control and the delivery process.

The contacts must be reachable to the local office from Monday to Friday 7.30 am to 16.30 pm. An emergency phone number must be available 24 hours a day for out of office hour's enquiries.

The supplier is responsible for ensuring that the contact information of the currently responsible Material Requirement Planner or contact including their representation, are known at VORWERK.

In Appendix 2 you will find a pre-printed form "contact supplier".

6 Manufacturing logistics

6.1 Continuity of manufacturing control

As part of a transparent and consistent structure of rolling production and materials planning at their suppliers, statements concerning dates, quantities and the respective production status may be made at the request of VORWERK at any time.

The supplier is responsible that all logistical issues to safeguard the production process and the reliability of supply are guaranteed. This includes the transport and production throughout the supply chain of their suppliers (such as subcontractors in example).

6.2 Commencement and completion control system

Basically, the introduction and discontinuation of the parts in the delivery schedules of VORWERK is controlled by the call-ups of the VORWERK customers. Therefore information concerning the quantities in the supply chain of our suppliers is necessary. No changes may take place after the supplier has confirmed acceptance of the scheduled parts, quantities and dates.

6.3 Emergency supply plan

The supplier must submit an emergency supply plan (emergency strategy for the supplier's production), which shows how they will proceed in a parts supply disruption. For each process step in production and logistics, must the supplier demonstrate a tried and tested emergency strategy, which ensures the delivery of ordered products in all circumstances in quantity and quality.

When incidents that jeopardize delivery occur, the supplier must demonstrate an effective short, medium- and long-term measure to the VORWERK quality control and the responsible Material Requirement Planner as soon as possible, at the latest within 24 hours after becoming aware of the incident. The notification must be in the form of an action plan that will inform the relevant department or persons how the supplier will proceed to ensure a constant delivery of parts.

7 Shipping logistic

7.1 Packaging

7.1.1 Serial packaging

The responsibility of serial packaging lies by the supplier. In this case, the serial packaging should be planned and agreed with VORWERK. The planned container requirements for internal processes at the supplier are to be procured by the supplier.

The responsibility of component protection lies by the supplier. VORWERK and the supplier are in close consultation concerning the serial packaging, particular proposals for a packaging concept, the implementation of sampling and transport experiments, as well as creating packaging requirements. You will find the packaging data sheets under item 10 "Other applicable documents".

The supplier must provide the concept with all related information to VORWERK at an early stage. Basically the serial packaging or pre-production packaging should be used and provided during the pre-production phases.

The circulating stock of serial containers is determined by and depending upon the circulation of daily production volumes that is in accordance with the VORWERK specifications.

The deliveries must be made solely in the specified containers as described in the written agreements. Should the supplier fail to comply with the specified packaging then VORWERK reserves the right to charge the supplier an appropriate handling and repackaging cost.

7.1.2 Alternative packaging

The supplier will deliver the called-off parts, in packaging as defined in the packaging data sheet. Alternatively, packaging may only be used in consultation with the responsible VORWERK Material Requirement Planner. Alternative packaging is also defined in the packing data sheets.

7.1.3 Disposable packaging

The supplier is only allowed to use disposable packaging which are defined in packaging data sheets at the project start. Other packaging may be allowed, but only after agreement with the responsible VORWERK Material Requirement Planner. Non-agreed disposable packaging will be disposed by VORWERK at the expense of the supplier. All packaging must be made out of recyclable materials. Reusable packaging is preferred for environmental, economic and qualitative reasons.

7.1.4 Reusable packaging

Reusable packaging is a high-quality material which must meet the different requirements in the logistics processes. They must be handled carefully and not used for any other purposes. The supplier is obliged to keep an up-to-date inventory of the packaging materials. The result is to be transmitted to VORWERK according to the agreed specifications.

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7.1.5 Processing of empties

It is the supplier's responsibility to ensure in advance that the correct quantities of empties are available in order to comply with the delivery schedule. In complying with container management, the container numbers and the quantity of containers are to be listed on all delivery documents. The cost-effective receipt of empties is in the interest of all parties involved in supply chains. Within this chain, the transferred empties become the property of the recipient. The container must generally be replaced by empties of the same type and quality.

Due to increased requirements, greater time pressure and increasing interfaces within the logistics processes, it is not possible for forwarders to carry out the handling of empties according to the 1:1 exchange principle, in terms of capacity. Therefore, the turnaround time of empties in favor of VORWERK is two weeks and is usually carried out as a collective transport after consultation. On request VORWERK will exchange empties of the same kind up to 5 pieces. This regulation only applies to exchangeable empties. VORWERK returns empties by Incoterm EXW Wuppertal. VORWERK always discharges itself with the handover receipt in the amount of the receipted quantity, irrespective of the delivery conditions. If the provided quantity is not picked up at the agreed date, the exemption expires after 24 hours.

The recipient must acknowledge the number and type of empties and record any reservations regarding quality in writing. If empties in decent condition are handed over to the forwarder, he must have the delivery and its condition receipted in writing. If damaged containers or containers in need of repair are identified, the responsible VORWERK dispatcher must be informed immediately. Such containers must be sorted out, marked and returned to VORWERK after coordination. If VORWERK is the owner of the serial packaging, necessary repairs will be arranged by VORWERK. If the supplier is the owner of the packaging, he is in charge for the necessary repairs. The costs will be charged according to the polluter pays principle.

VORWERK keeps empties accounts with the supplier for all container types used and can request an intermediary inventory at any time in case of deviations. The supplier is obliged to keep proper records of the empties inventory. For this purpose, he shall receive a monthly container account statement, which he must confirm or object to within 10 days. If there is no response within that period the statements are assumed to be accepted. Furthermore, the supplier is obliged to carry out an inventory of empties at least once a year. The date will be announced to the supplier by VORWERK in due time. The supplier must take the binding details on the packaging from the respective packaging data sheet.

7.1.6 Cleanliness and corrosion protection

Contamination / moisture in the containers (swarf, lubricants, fluids, etc.) can affect or override the functions of systems. For this reason, it is necessary that only clean and dry containers are used for transport between the supplier and VORWERK. Old labels and unnecessary packaging aids must be removed before the container is reused.

A project specific cleaning schedule is to be concluded between the supplier and VORWERK. In general however, regardless of the responsibility for the cleaning of packaging, the supplier must ensure that obviously soiled containers are discarded and are not eligible for transportation to VORWERK.

VORWERK is entitled to reject deliveries that are incorrect or in defective packaging, in defective containers, or in containers without clear identification (labelling), and will charge all additional respective costs to the supplier.

7.2 Labelling**7.2.1 General**

Each and every packaging unit must have a material tag or label that is attached in accordance with the current VDA-label (VDA 4902). In KLT loading units, a label is required for each container in addition to the master declaration of the individual containers.

7.2.2 Content label

In accordance with VDA 4902, each packaging unit must have a label to identify the parts and must include the following information:

- Name / company of the contractor (supplier name)
- Address of the contracting party
- The VORWERK supplier number
- The VORWERK part number (X)
- Exact description of the parts
- Batch number (X)
- Delivery note number (X)
- Net / gross weight
- Capacity (X)
- Date of delivery

The data marked with (X) must be shown on the labels as barcode (system code 39).

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Example label:

(1) Warenempfänger Daimler AG Sindelfingen D-71059 Sindelfingen		(2) Abladestelle - Lagerort - Verwendungsschlüssel 396C S	
(3) Lieferschein-Nr. (IN) 80962663		(4) Lieferantenanschrift VORWERK DRIVETEC GmbH, 42287 Wuppertal	
(5) Gewicht netto 701		(6) Gewicht brutto 769	(7) Anzahl Packstücke 122
(8) Sach-Nr. Kunde (P) A2053230817			
(9) Füllmenge (Q) 1200		(10) Bezeichnung Lieferung, Leistung D Koppelstange BR205 F600/105 G	
(11.1) Sach-Nr. Lieferant (305) 2175348		(11.2) Packmittel-Nr. Kunde (8) 5010	
(12) Lieferanten-Nr. (IV) 12222832		(13) Datum D 170317	
(14) Änderungsstand Konstruktion Q2		(15) Packstück-Nr. M 3810447	
(16) Chargen-Nr. (H) 51460405		(17) VORWERK DRIVETEC GmbH, D-42287 Wuppertal, Obere Lichtenplatzer Str. 336	

Warenanhänger VDA4902, Version 4

Example label for KLT and small cardboard boxes:

(1) Warenempfänger Daimler AG Sindel D-71059 Sindelfing		(2) Abladestelle - Lagerort - Verwendungsschlüssel 396C S		(3) Lieferschein-Nr. (IN) 80962663	
(8) Sach-Nr. Kunde (P) A2053230817					
(9) Füllmenge (Q) 20		(10) Bezeichnung Lieferung, Leistung D Koppelstange BR205 F600/105 G re			
(11.1) Sach-Nr. Lieferant (305) 2175348		(11.2) Packmittel-Nr. Kunde (8) 4314			
(12) Lieferanten-Nr. (IV) 12222832		(13) Datum D 170317		(14) Änderungsstand Konstruktion Q2	
(15) Packstück-Nr. S 3810387		(16) Chargen-Nr. (H) 51428398			

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7.2.3 Label mounting location

Every carton / KLT must also have a single label attached in such a way that all pallets and containers can be identified from the outside. Cartons / KLTs, which are located in the middle of a packing unit and cannot be viewed from the outside, shall be labelled on the smallest side. Additionally, each parent load unit must have a master label that summarizes the individual information of the individual packaging. **This has to be fixed at the top right-hand corner on the narrow side.** The VDA document must not be attached to the lid!!!



Mandatory documentation parts must be labelled separately.



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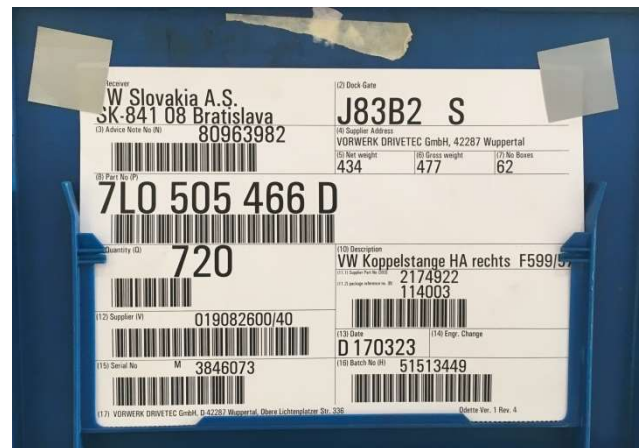
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Elements of the load securing (straps) must not impede the readability of the master goods label. The siting of the label holder should be selected so to avoid environmental influence and transport complaints, meaning that the material labels/tags at the delivery location must be mechanically and manually readable.



WRONG

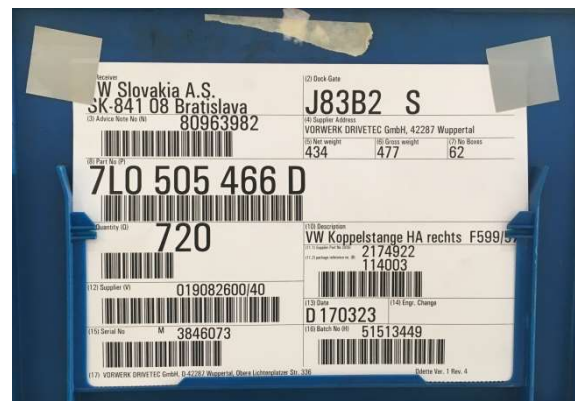


RIGHT

For VDA-KLT, the consignment labels must have 2 adhesive dots to secure the KLT, (not completely glued). The adhesion properties must be such that a subsequent manual removal is possible without mechanical assistance. Similarly, document holders can be used.



WRONG



RIGHT

The transport labels (VDA 4902) are to be positioned so that a scanner can read the printed barcodes. The horizontal attached label must not be covered by any elements of the load securing (straps). The horizontal attached label must not exceed and must not overlap the outer contour/side of the package (not covered by other boxes/packaging). Variations in the label attachment will be cost calculated by VORWERK and the additional cost will be deducted from the supplier. With special load carriers, the label has to be attached to the designated label holder.

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If a label holder is already provided (for example on a grid box) the label must be affixed in a padded envelope.

Label attachment on a grid box



A transport unit containing more than one-part number (mixed containers) must be identified with a label for each part number. The overall package is to be marked by a sheet of A4 paper with the words "mixed container". Mixed containers may only be used in exceptional cases and require prior release by the Material Requirement Planner of VORWERK before shipping.

7.3 Transport processing

7.3.1 General

Supplier deliveries to VORWERK must be carried out according to FD / DDP. In such cases the selection of the forwarding agency is left to the supplier.

When VORWERK are responsible for collection the goods, then the contact details of the LSP and the process of transport notification and processing should be obtained before the first delivery to VORWERK (see item 7.3.2 Transport notification). If another carrier is used without the consent of VORWERK, then the supplier himself shall bear the resulting freight costs.

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7.3.2 Transport notification

Unless otherwise specified the delivery dates in the VORWERK delivery schedule are the recognized dates for delivery to VORWERK. The transport company must inform and confirm the collection in writing with the appropriate VORWERK LSP before 11.00 am on the day before the pickup.

The required registration deadline is calculated as follows:

Check in demand, minus the regular transit time, minus 1 day = date of notification of the request notice.

The regular transit time is within Germany 2 business days in EEC 5 working days and for overseas 35-50 days.

The call-up requirements are the LSP schedule for the supplier who must provide the correct quantity of parts as per the stated schedule. The notification of dispatch to the LSP must include:

- Sender's address and delivery address
- The number, type and dimensions of the load carriers (e.g. single-use pallets, euro pallets) and the respective stackability, goods description and weight
- Number and type of packaging unit (KLT)
- Part / Item number
- Delivery date – absolutely necessary!

This information is necessary to ensure a cargo space-saving disposition by the LSP. Any resulting additional costs and delays due to incorrect or false registration will be charged to the “polluter pays” principle.

The following flow description is an example for your assistance. The exact process has to be determined with logistical services LSP or Material Requirement Planner, before the first delivery takes place.

If a part supply disruption is caused by the supplier, the procedure is as follows:

- The competent Material Requirement Planner of VORWERK and the forwarder must be contacted by telephone and notified immediately with confirmation by fax or email
- The contact person of the supplier shall take all necessary measures to provide the parts. All resulting costs and special transport shall be borne by the supplier.
- Costs incurred due to late delivery handling, for example: waiting time, special trips caused by traffic delays (long-distance), etc. will be borne by the supplier.

7.3.3 The waybill

Unless otherwise agreed, the consignment note must comply with the recommendations of the VDA 4922. The CMR is to be used for international transports.

7.3.4 The customs documents

If the delivery comes from the EU and the production is in a third country, the supplier has to ensure that VORWERK is not included as a declarant. All customs declaration and customs clearance must take place according to the agreed Incoterms by the supplier. If the supplier is established in a third country, then the consignor (supplier) must give all statutory customs documents (documents, certificates) within the meaning of section § 413 para.1 HGB for the dispatched goods, to the driver of the freight carrier. Furthermore, information should be provided, that will be necessary for the official procedures before the goods are delivered. This must be filled out completely and truthfully as required, for example:

- Transit declaration
- T1 / T2 Papers
- TIR Carnet
- ATA Carnet
- Certificate of Origin
- The movement certificate EUR.1 / EUR.2
- Commercial invoice – three fold

7.3.5 Proof of origin

With the first delivery to VORWERK and thereafter at the beginning of each year, the supplier is obliged to submit a valid vendor declaration for the products that are to be supplied to VORWERK. The supplier is liable for all penalties incurred by the purchaser by an incorrect or delayed delivery of the supplier's declaration or by a change of origin. Any such penalties are to be submitted unsolicited, proactively and immediately to VORWERK.

If necessary, the supplier must prove its detailed origin of goods by means of confirmation of his customs authority information sheet.

7.3.6 Shipping order / delivery documents

The supplier creates a bill of lading or shipping order on behalf of VORWERK. These documents and the delivery notes must be handed over to the carrier. Delivery notes and shipping documents must in addition to all the necessary information (according to the corresponding valid VDA recommendations (VDA 4922)) also compulsory contain, the order numbers which are in the VORWERK order and written contract.

7.3.7 Loading and load securing

The freight forwarder must submit the shipping documents when loading. The responsibility for the loading of the goods lies with the supplier. The discharge of the empties and the loading of the goods shall be completed within 60 min. Care must be taken to comply with the time window. Costs incurred for waiting times beyond 60 min will be charged to the supplier or may result in a special chargeable fee-based transport.

The supplier shall securely pack and load the goods for transport safety and in accordance with the instructions of the carrier.

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The supplier must carry out correct vehicles load securing and transport according to the requirements of BGV D29, the VDI 2700 ff. The cargo must be secured according to the transport route and the type of cargo. The cargo must be secured according to national and international guidelines. The cargo must therefore be secured so that it cannot in whole or in part, slip, fall, fall down or cause a tilting of the vehicle under all normal traffic driving conditions. Normal traffic driving conditions includes hard braking, evasive manoeuvres and road surface irregularities. In addition, the VDI guideline 75410 for lashing points must be taken into consideration. The supplier shall in all terms of delivery according to Incoterms 2010, ensure that even when driving bans are imposed, that the delivery of goods is ensured according to the defined delivery schedule and corresponding delivery date.

7.4 Special cases, special trips, returns

Additional costs arising from noncompliance with the shipping instructions shall be borne by the supplier. Special trips are generally to be agreed with the Material Requirement Planner of VORWERK in advance, and this writing. The cost for special deliveries will be borne by the polluter.

With miss delivered, n.o.k. parts, etc. the cargo can be returned to the supplier. The cost of the return shipment will be borne by the supplier. With "over deliveries" of > 5 %, VORWERK reserves the right to return these at the expense of the supplier or invoice the supplier for the additional costs for storage or scrapping etc..

7.5 Delivery reliability

A timely, quantitative and qualitative correct delivery is required from the suppliers. The respective predetermined quantities and dates are to be observed regardless of legal and religious holidays and country-specific constraints. The supplier must notify VORWERK of delays in delivery in a written form, stating the reasons and the presumed delivery time to the contact person of VORWERK as soon as he is aware that a delay will take place. Discrepancies in dates and quantities will be documented and are an integral part of supplier evaluations.

A written notice of "supplier specific holidays" is to be given to VORWERK in advance, every 6 months. Any clashing of holidays and deliveries must be indicated to the VORWERK contact person immediately.

7.6 Delivery dates and delivery deadline

Agreed dates and deadlines are binding. Relevant for compliance with the delivery date or the delivery deadline is receipt of the goods at VORWERK. The supplier must timely provide the goods in consideration of usual time for loading and shipping, if "ex works" delivery is agreed.

Within the meaning of ISO TS 16949 or IATF 16949 the supplier provides quarterly a schedule of the deliveries with additional freight charges to VORWERK. This schedule includes a detailed root cause analysis of special trips and fixed preventive measures with appropriate implementation date.

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8 Transfer of risk

Performance and transfer of risk for performance and price risks will in all cases only be accepted after the arrival of the goods and services at VORWERK or at their designated VORWERK receiving points.

9 Tax provisions

The supplier is responsible for the delivery of goods via its warehouse in compliance with the tax laws, in particular concerning turnover tax legislation and the rules on international trade

10 Applicable documents

FB-K02-02 checklist of processing and packaging concept, incl. Packaging Data Sheet (VDB) - Master.pdf

VDA 4902 Goods labels

VDA 4922 Transport Order

Transit declaration form / shipping order

Appendix 1**Address directory****VORWERK AUTOTEC GmbH & Co. KG**

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Appendix 2

Function	first name	Surname	E-Mail	Telephone	Fax	Language