

The **Master Lock** Company

Property. People. Life.

International Shipping and Routing Guide – Imports US & Mexico

Updated November 2017

Preamble: This policy will define Master Lock Company LLC international shipping and routing requirements for imports to the United States and Mexico.

Contents:

- I. Scope
- II. Definitions
- III. Responsibilities
- IV. Procedures and Instructions
- V. Transportation Contacts
- VI. Incoterms 2010

I. **Scope**

This policy applies to all International Suppliers.

II. **Definitions**

Incoterms	International rules designed to identify the rights and obligations of the parties to the contract of sale with respect to the delivery of the goods sold.
C-TPAT	Customs Trade Partnership Against Terrorism. U.S. Customs and Border Patrol security program that The Master Lock Company is a member of.
ISF	Importer Security Filing (10 + 2 program). Customs and Border Patrol program detailing additional foreign exporter data filing requirements.
DHL ISC	DHL International Supply Chain is Master Lock LLC's chosen freight forwarder
Expeditors	Expeditors International Supply Chain is Sentry Safe's chosen freight forwarder
CY	Container Yard. Denotes shipments loaded by supplier.
CFS	Container Freight Station. Denotes freight forwarder consolidation location for LCL cargo.
Lacey Act	U.S. Department of Agriculture law restricting import of specific plants or trees.
HTS	Harmonized Tariff Schedule. Process used to classify imports with a 10 digit number.
GSP	Generalized System of Preferences. Program designed to promote economic growth in the developing world by providing preferential duty for some products and countries.
FCA Port	Incoterm. "Free Carrier (Port Location)" means that the seller delivers when the goods are received to be loaded on the ship at the named port.



The **Master Lock** Company

Property. People. Life.

III. Responsibilities

- A. Master Lock Company LLC
 - i. Master Lock Company LLC is responsible for effectively communicating all shipping and documentation requirements for goods destined for its United States and Mexican facilities or customers.
 - ii. Master Lock Company LLC is responsible for providing necessary purchase order information to complete documentation.

- B. Supplier
 - i. The Supplier is responsible for meeting the booking dates required for cargo to arrive at the specified location by the agreed to date.
 - ii. The Supplier is responsible for providing all the required documentation for export.
 - iii. The Supplier is responsible for packaging and loading the cargo in a manner acceptable to the buyer to comply with carrier regulations and prevent damage or deterioration during handling, shipment, and storage.
 - iv. The Supplier is responsible for complying with all US government regulations for imports.
 - v. The Supplier is responsible for meeting security requirements pertaining to C-TPAT.
 - vi. The Supplier is responsible for providing ISF filing information to the Forwarder.

IV. Procedures and Instructions

- A. Booking process for ocean freight: Supplier is required to book all cargo in writing with the ISC origin a minimum of 7 days to a maximum of 10 days prior to the ex-factory date provided by Master Lock Company LLC. Determination on CY or CFS will be made by Master Lock Asia. The written booking must contain the following:
 - i. Supplier name and address
 - ii. Consignee name and address
 - iii. Cargo destination
 - iv. Breakdown of Purchase Order and SKU numbers
 - v. Number of pieces and kind of packages. The lowest external packaging unit must be indicated.
 - vi. Exact description of cargo
 - vii. Net and gross weight of cargo

- B. Shipment Documentation: Supplier must provide the following documentation upon tendering cargo to DHL ISC at origin:
 - i. Packing list in English containing the following:
 1. Buyer's name and address
 2. Seller's name and address



The **Master Lock** Company

Property. People. Life.

3. Shipper's name and address (if different from seller)
 4. Ship to name and address
 5. Master Lock Company LLC PO number
 6. Master Lock Company LLC SKU number
 7. Detailed description of merchandise
 8. Quantity per line item
 9. Dimensions and weight per line item
 10. Net and gross weight for shipment
 11. For shipments with multiple containers loaded at factory supplier must clearly indicate which items and quantities are within each container.
- ii. Commercial Invoice containing the following:
1. Buyer's name and address
 2. Seller's name and address
 3. Shipper's name and address (if different from seller)
 4. Manufacturer's name and address (if applicable)
 5. Consignee delivery name and address
 6. Country of origin
 7. Master Lock Company LLC PO Number
 8. Quantity per line item
 9. Master Lock Company LLC SKU Number
 10. Unit price and extended price per line item (USD)
 11. Detailed description of merchandise
 12. HTS of each item (must be supplied by Master Lock Company LLC)
 13. Incoterms (FCA 'named port' is Master Lock Company LLC preferred, see chart below)
 14. Net and gross weight
 15. ISPM 15 rules where applicable. The statement "No solid wood packing materials used" must be noted if wood packing materials are used.
 16. If item is subject to Lacey Act (16 U.S.C. 3371 et seq., the Act) the species of the tree or plant and the country of harvest must be designated.
 17. If applicable, a statement on the face of the commercial invoice advising that the merchandise covered by the invoice is GSP eligible.
 18. Multi-packs (promotional items) must be listed individually by SKU and value.
- iii. Bill of Lading
1. Express BOL or Telex release required



The **Master Lock** Company

Property. People. Life.

iv. ISF (Importer Security Filing) – Expeditors International/DHL/ISC Shipper Factory Pack

Declaration form:

1. Manufacturer name
2. Manufacturer address
3. Seller (owner) name
4. Seller (owner) address
5. Buyer (owner) name
6. Buyer (owner) address
7. Ship to name
8. Ship to address
9. Country of origin
10. Container stuffing location
11. Consolidator (stuffer) name
12. Consolidator (stuffer) address

- C. Country of Origin Marking: U.S. Customs and Border Protection (CBP) regulations (19CFR 134) require that all items of foreign origin imported from outside the U.S. shall be marked in English with the Country of Origin. This requirement includes both the marking on the item as well as the marking on the inner most packaging. Every item of foreign origin imported into the U.S. shall be marked in a conspicuous, easy to read place in English as legibly, indelibly and permanently as the nature of the item will permit. This includes normal ink stamping, the use of self-adhesive non-metallic labels or bagging and/or tagging.
- D. GSP Declaration: Suppliers that qualify for GSP and are notified by Master Lock Company LLC must submit a GSP declaration form annually in addition to declaring GSP on each invoice.
- E. General packaging and marking guidelines:
- i. Cartons may contain only one SKU and must be sealed.
 - ii. Weight of individual cartons must not exceed 20 kg. unless approved by Master Lock Company LLC
 - iii. No partial or short packed cartons
 - iv. Printing instructions per carton
 1. Master Lock Company LLC SKU/Part Number
 2. Master Lock Company LLC PO Number
 3. Number of units in carton
 4. Country of Origin
 5. Destination address



The **Master Lock** Company

Property. People. Life.

- F. Container loading guidelines
- i. Suppliers approved to ship factory loaded containers must complete a C-TPAT 7 point inspection including and following prior to loading:
 1. Check undercarriage
 2. Check door inside and out along with locking mechanism
 3. Check right side of container
 4. Check left side of container
 5. Check front wall of container
 6. Check floor for damage or hidden compartment
 7. Check ceiling and roof for fake walls, bonding materials, bolts instead of rivets, different colored paint and make sure interior space of container is the proper length, height, and width.
 - ii. Supplier must use C-TPAT approved container seals (ISO/PAS17712).
 - iii. Packing slip must be on box or pallet at rear of container for full container shipments. On less than container load shipments the packing slip should be inside one of the cartons and clearly marked on the exterior of that carton.
 - iv. Load and weight restrictions: Please contact your Expeditors International/DHLISC location for guidelines.
- G. Preferred carriers:
- i. Master Lock LLC.'s preferred ocean and air forwarder is DHL Global Forwarding. All collect shipments must be routed by DHL Global Forwarding.
 - ii. Sentry Group's preferred forwarder is Expeditors International.
- H. Air shipments
- i. Supplier bookings must be made in writing with Expeditors International/DHLISC Origin location 2 days prior to shipment.
 - ii. Cut-off date will be given to supplier by Expeditors International/DHLISC.
 - iii. Supplier will provide commercial invoice and packing list.
 - iv. Prepaid supplier shipments must be airport to door deliveries with the Incoterms of DAP/DAT.
 1. Master Lock LLC.'s broker is DHL and Sentry Group's broker is Expeditors International and they must be listed on BOL.
 2. Delivery location will be provided by Master Lock Company LLC Purchasing
 - v. Parcel shipments must be shipped via FedEx or DHL.



The **Master Lock** Company

Property. People. Life.

V. Transportation Contacts

Master Lock LLC.

Nicol Martin, Transportation Coordinator, Louisville, Kentucky

Phone: +1 502 995 3040 extension 4041

nmartin@mlock.com

Claudia Alcala, Transportation Coordinator, Nogales, Mexico

Phone: +1 414 571 5625 extension 3853

calcala@mlock.com

Silke Rees, Customs Compliance Specialist, Oak Creek, Wisconsin

Phone: +1 414 766 6245

srees@mlock.com

Mark Bockhaus, Director of Global Transportation, Oak Creek, Wisconsin

Phone: +1 414 766 6573

mbockhaus@mlock.com



The **Master Lock** Company

Property. People. Life.

Incoterms 2010

- A. International set of trade terms that define the responsibilities and risks of both the buyer and seller including while the merchandise is in transit.

- B. There are 13 Incoterms used to determine which party is responsible for warehousing, packing, labor, inland delivery charges, port and terminal charges, ocean freight, insurance, duties and taxes, and delivery to destination.
 - i. EXW – EX WORKS (named place)
 - ii. FCA – FREE CARRIER (named place)
 - iii. FAS – FREE ALONGSIDE SHIP (named port of shipment)
 - iv. FOB – FREE ON BOARD (named port of shipment)
 - v. CIF – COST, INSURANCE AND FREIGHT (named port of destination)
 - vi. CFR – COST AND FREIGHT (named port of destination)
 - vii. CPT – CARRIAGE PAID TO (named place of destination)
 - viii. CIP – CARRIAGE AND INSURANCE PAID TO (named place of destination)
 - ix. DAT – DELIVERED AT TERMINAL (named Terminal location)
 - x. DAP – DELIVERED AT PLACE (named place)
 - xi. DDP – DELIVERY DUTY PAID (named place of destination)

