

Foreign Supplier Trade Compliance Requirements

OVERVIEW:

FRAM Group requires its foreign shippers to provide all documentation required for entry into the U.S. to the foreign freight consolidator, carrier, issuing bank or directly to FRAM Group prior to exportation as specified under other associated agreements, such as an approved purchase order. Because of requirements and regulations for various U.S. government agencies, the types of documentation may vary and may include additional declarations or statements that are not contained in the following list.

Foreign shippers should direct questions regarding entry documentation to their designated point of contact at the respective FRAM Group business unit (BU). Questions may also be directed to the FRAM Group Trade Compliance department at tradecompliance@framgrp.com.

Any government penalties that are determined to be the result of supplier non-conformance will be for the account of the supplier.

I. DOCUMENT TRANSMISSION REQUIREMENTS:

In accordance with the timing in section D below, a complete set of documents **must** be provided to:

- A. The designated FRAM Group freight forwarderⁱ who is coordinating the export transactions;
AND
- B. The FRAM Group location contact per that location's instructions
- C. When international transportation is arranged by the foreign supplier, documents must also be provided to the designated FRAM Group US Customs broker.
- D. Required timing:

TRANSPORTATION MODE	ORIGIN FORWARDER	REQUIREMENT
Ocean	FRAM Group designated	Foreign vendors must supply all ISF required data elements to the FRAM Group origin forwarder no later than five (5) working days prior to goods being loaded onboard the vessel bound for the United States.
	Supplier designated	Foreign vendors must supply all ISF required data elements to the FRAM Group designated US customs broker no later than seven (7) working days prior to goods being loaded onboard the vessel bound for the United States.
Air	FRAM Group designated	Foreign vendors must provide all documentation to the FRAM Group designated origin forwarder at the time cargo is tendered for export.

TRANSPORTATION MODE	ORIGIN FORWARDER	REQUIREMENT
	Supplier designated	Foreign vendors must provide all documentation to the FRAM Group US Customs broker at the time cargo is tendered for export.

II. DOCUMENTATION REQUIREMENTS:

In general, the following documentation is required for every shipment and must be supplied to the Purchaser's freight forwarder or agent at the point of origin prior to export as required by US law:

- A. Commercial Invoice (see invoice requirements in Part III of this document)
- B. Packing List
- C. Only Express Release Bills of Lading should be issued unless otherwise authorized or directed by FRAM GROUP Transportation/Logistics department
- D. Free Trade Agreement Certificate of Origin (if applicable)
- E. For ocean shipments only, documentation containing the following data elements to support the Importer Security Filing (also known as "ISF" and "10+2) is required.
- F. Safety Data Sheet (SDS) for chemical products and others, as applicable
- G. Other U.S. government agency documentation and declarations, such as the Federal Communications Commission, Food and Drug Administration, Fish and Wildlife, Department of Transportation, and Environmental Protection Agency.

III. COMMERCIAL INVOICE REQUIREMENTS:

Invoices must be in English and list all of the following:

- A. Date of invoice
- B. The "Port of Entry" to which the merchandise is destined
- C. The place of origin from where the goods are being shipped
- D. The name and address of the seller, or shipper if not a direct purchase transaction.
- E. The name and address of the buyer in the US
- F. A detailed description of the merchandise including the following:
 - 1. The common name of the merchandise
 - 2. The grade or quality
 - 3. The marks, numbers and symbols under which each item is sold and packaged
 - 4. The quantities in the weights and measures of the country or place of export or in the weights and measures of the United States
 - 5. The purchase price of each item

FRAMGROUP

- G. The currency of the transaction
- H. All relevant charges must be itemized by name and amount, such as:
 - 1. Freight, if included in the price of the merchandise;
 - 2. Insurance, if included in the price of the merchandise;
 - 3. Buying or selling commissions,
 - 4. Cost of packing if not included in the price of the merchandise,
 - 5. All charges, costs and expenses incurred in bringing the merchandise from alongside the carrier at the port of export to alongside the carrier at the first US port of entry.
- I. All relevant discounts
- J. The country of origin for each item; note that the country of origin is the country of manufacture, and may not be the country from which the merchandise is being shipped. The terms of sale of the transaction per Incoterms 2010 (ex: FOB, CIF, FCA, etc.)
- K. Goods or services furnished for production of merchandise not otherwise included in the invoice price (i.e. assists such as dies, molds, tools and engineering work.)
- L. If the merchandise was subject to any of the following, the nature of the work or value added abroad should be noted as:
 - 1. Merchandise subject to repair pursuant to a warranty
 - 2. Merchandise subject to repair **not** pursuant to a warranty
 - 3. Merchandise subject to assembly abroad
- M. The name of a responsible employee of the exporter who has knowledge or who can readily obtain knowledge, of the transaction
- N. The FRAM Group part number/SKU number, if applicable to the merchandise, must be listed on the commercial invoice.
- O. The FRAM Group purchase order number must be listed on the commercial invoice.
- P. The Harmonized Tariff Schedule number, **to at least six digits**, for each commodity type

IV. OTHER FRAM GROUP REQUIREMENTS:

- A. ISPM15 Requirement - Any goods exported for the account of FRAM GROUP must be packaged in accordance with the ***“International Standards for Phytosanitary Measures – Guidelines for Regulating Wood Packaging Material in International Trade”***, otherwise known as ISPM15. If the goods are packaged in solid wood packaging materials, then the material must be compliant with ISPM15 (have the IPPC mark) and this must be noted on the commercial invoice or packing list
- B. Customs-Trade Partnership Against Terrorism (C-TPAT)

FRAMGROUP

Foreign suppliers shipping from a foreign point of origin directly to a C-TPAT certified FRAM GROUP facility are expected to comply with the US Department of Homeland Security's [Minimum Security Criteria for the C-TPAT](#). Additionally, foreign suppliers shipping from a foreign point of origin directly to a C-TPAT certified FRAM Group facility must, on an annual basis, complete the [FRAM GROUP Foreign Supplier Security Survey](#). Contact your FRAM Group buyer to obtain these documents.

- C. High Security Seals: FRAM Group requires its foreign shippers to affix a high security seal to ocean containers destined to the U.S. that meets or exceeds the current PAS ISO 17712 Standards.
1. Foreign shippers should record the seal number, commodity type, purchase order number, container number, and name of the employee that sealed the container in a log, spreadsheet, or similar means for recordkeeping purposes.
 2. The seal number is to be provided to the ocean carrier or consolidator for inclusion as a data element on the ocean bill of lading for verification purposes once it is received in the United States by FRAM Group.

D. Country of Origin Marking & Labeling Requirements:

All imported and exported articles must meet the country of importation's requirements on marking and labeling. All domestically sourced and sold articles must meet that country's marking and labeling requirements. The below requirements are in addition to and not in lieu of, any other government agency requirements. Also note that each Free Trade Agreement such as NAFTA may have its own country of origin marking and labeling rules which might supersede those noted below. See "Preferential Programs" above.

1. For imports into the United States, unless specifically exempted, all imported articles must be marked with their country of origin, as follows:
 - In English
 - Conspicuous
 - Legible
 - Indelible
 - Permanent (as allowed for by the nature of the article) (to reach the ultimate purchaser)
 - Outer shipping cartons should also be marked.
2. Marking of exported products must meet the country of importation's requirements.

ⁱ FRAM Group's freight forwarders have been instructed to hold ocean export shipments until the necessary documentation to support a compliant ISF (Importer Security Filing) entry is provided by the supplier. Any costs incurred for shipment delays that are attributed to supplier documentation errors will be for the account of the shipper.