

Logistic Commitment for Suppliers / LC1

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1 Purpose and scope

This Logistic Commitment for Suppliers applies for all internal and external suppliers of prototypes, series parts and services to and for Spheros GmbH in Gilching and associated companies as defined in Article 15 ff of the German Stock Corporation Act (AktG).

The Logistic Commitment serves the purpose of ensuring that the specific logistics requirements of Spheros are understood and implemented in partnership and cooperation with the aforementioned suppliers.

2 Ordering

2.1 Concepts

Ordering is executed by means of individual orders, delivery schedules, JIT call-offs or via Vendor Managed Inventory (VMI).

2.1.1 Delivery schedule

The Supplier will receive materials requirement forecasts at least at weekly intervals for the scheduling of deliveries for at least 2 months in advance. The degree of detail therein (days, weeks, months) may be consulted upon and agreed with the materials requirements planning personnel.

2.1.2 Detailed JIT call-off

When JIT deliveries are to be made, the Supplier will not only receive a delivery schedule but also, two workdays in advance, a detailed call-off by eMail. Only those quantities specified in the detailed call-off will apply as binding order.

2.1.3 Vendor Managed Inventory (VMI)

Deliveries via VMI are only possible in combination with vendor consignment goods; the Supplier is given access to the Spheros ERP system for the purpose of being able to see and check the current inventory and a materials requirement forecast. The Supplier then decides autonomously as to the frequency and volume of the respective deliveries that are appropriate to covering the requirements in question. Inventory limits agreed beforehand must be adhered to in this respect.

A separate contractual agreement will be concluded in the event that we wish to employ this delivery standard.

2.2 Flexibility (delivery schedule)

Depending on what has been respectively agreed, the planning time fence for delivery schedules will be 1-2 weeks. In addition, the Supplier undertakes to cover changes in requirements of at least $\pm 15\%$ per month.

Larger fluctuations are to be reckoned with where very small call-off quantities are concerned.

Flexibility beyond the aforementioned range is to be consulted upon and agreed in the individual case.

2.3 Overdelivery and underdelivery

Overdeliveries or underdeliveries will only be accepted if correspondingly consulted upon and agreed with the responsible materials requirements planning personnel at Spheros. Overdeliveries made without such prior agreement will, at the Supplier's expense, be returned to the Supplier or stored temporarily at a third-party warehousing facility. In such case the costs for storage and handling of the goods in question are to borne by the Supplier.

All cases of overdelivery or underdelivery will be complained about and will have a negative effect on the supplier assessment.

2.4 Delivery batch sizes

The delivery batch sizes are to be based on the material range and packaging units; specific agreements will be concluded in this respect.

2.5 Transmission of data

It is possible for delivery schedules to be received via EDI. The standard used to this end is based on VDA standard 4905. The costs for setting up the connection are to be borne by the Supplier.

3 Packaging

3.1 Characteristics

Irrespective of which type is selected, all packaging must meet the following requirements:

- Enable problem-free unloading of the transport vehicles via industrial trucks
- Stackability
- Compliance with the stipulated standard dimensions
- Enable problem-free removal of contents
- Recyclable packaging materials
- Protection of the contents against soiling/contamination
- Protection of the contents against damage or impairment of quality

The inclusion of objects such as coverings, superstructures, etc. which protrude beyond the external contours is to be avoided wherever possible.

The Supplier will be held liable for any impairment of quality arising from faulty or soiled/contaminated packaging.

The Supplier will likewise be held liable for any impairment of quality caused by contents protruding from the packaging.

Admissible and inadmissible materials for disposable packaging:

Material	Admissible	Inadmissible
Composite materials		Composite materials are not admissible
Plastics Disposable - Reusable -	PE, PP Marking as per DIN 6120 PE, PP, ABS Marking as per DIN 6120	PVC, polysterene/styrofoam PVC, polysterene/styrofoam, all thermosetting plastics
Cardboard and paper	Marking with the RESY symbol	Waxed, paraffin, bituminous or oil paper
Strapping	PP, PET, steel	PA, PES
Wood	Compliant with the IPPC standard	Chipboard, impregnated, lacquered or coated wood
Filling/padding material	Corrugated cardboard, paper	Chips and moulded parts made from vegetable products or polysterene/styrofoam

3.2 Standard dimensions

An overview of standard containers can be found at www.spheros.de.

The following basic dimensions apply as standard for all deliveries and must be accordingly complied with: l x b x h: 1200 x 800 x 1000 mm (except for wire mesh pallets).

Dimensions other than these (e.g. oversizes) must be consulted upon and agreed with Spheros in the individual case.

Parcels or other charge carriers without pallets have to weigh less than 15 kg each. Otherwise a pallet is compulsory.

3.3 Special packaging

Special packaging must be clearly and unambiguously marked for identification and bear the imprint "Property of [name of supplier]" in order to ensure that it is reliably returned. The use of special packaging must be consulted upon and agreed with the materials requirements planning personnel before the delivery in question is to take place.

Special packaging used in deliveries without such marking and without prior consultation and agreement will be disposed of, and the Supplier will have no entitlement to compensation in such instances.

3.4 Determination of the packaging / Release procedure

In the interests of ensuring that the packaging requirements are met, the structure of the packaging must be determined for each product in advance; this must have taken place at latest when the initial sampling procedure is performed.

The type and dimensions of the respective packaging and the number of pieces per handling unit are determined and specified in writing on the Spheros packaging data sheet.

The packaging data sheet is sent to the Supplier by the Spheros purchasing department and must be signed and returned to the same within 10 working days.

When this has been done, Spheros will then conditionally confirm the respective packaging. Spheros will not definitively assess and declare its acceptance of the packaging until having received and inspected the first series delivery. The first series delivery must be explicitly marked with the words "1st delivery".

Spheros reserves the right to charge the Supplier for any repacking costs – however at least 50 euros per handling unit – incurred through the latter's failure to comply with the agreed packaging specifications.

3.5 Marking

3.5.1 VDA label

A label as per VDA recommendation 4902 (latest version) must be affixed to each handling unit for each material number; bar coding is to be used in all cases.

(1) Warenempfänger 38440		(2) Abladestelle 101QC		
(3) Lieferschein Nr. (N) LS090712000 		(4) Lieferanschrift AB-Kunststoffteile GmbH Hauptstrasse 12, 66121 Saarbrücken Germany		
		(5) Gewicht netto 376	(6) Gewicht brutto 403	(7) Anzahl Packstücke 30
(8) Sachnummer Kunde (P) 3A0867AH				
(9) Füllmenge (Q) 16  ST	(10) Bezeichnung T-Verkl.B4 HT RE CL			
(12) Lieferantenummer (V) 882712 		(11) Sachnummer Lieferant (30S) 991800 		
		(13) Produktionsdatum 02.10.07	(14) Änderungsstand KA1	
(15) Packstücknummer (S) B2 	(16) Chargen-Nr (H) C188 			

Sample VDA label

3.5.2 Consignment

Handling units containing consignment goods must be clearly marked with "KONSI".

4 Transport

4.1 Documents

Each delivery consignment must be accompanied by a delivery note and a bill of lading.

4.1.1 Delivery note

Each delivery note must without exception bear the following details:

- Delivery note number
- Spheros order number or, as applicable, delivery schedule number
- Spheros ID number(s)
- Delivery quantity
- Best-before date (if relevant)
- Number and type (designation/description) of the reusable packaging

4.1.2 Bill of lading

Each bill of lading must without exception bear the following details:

- Carrier
- Date of delivery
- Number of packages
- Weight of the packages

4.2 Multi-way packaging

4.2.1 Supply of empties

The responsibility for requesting empties rests with the Supplier if these are provided by Spheros.

Empties are to be ordered by telephone or eMail from the respective Spheros plant, allowing for a delivery period of 5 working days.

4.2.2 Inventory management of empties

Inventory management of the empties takes place separately on both sides. The quantities are to be coordinated between the parties on a quarterly basis. Discrepancies must be documented and clarified without delay.

4.2.3 Freight charges

Unless specifically agreed otherwise, the freight charges for delivery of the empties to the Supplier will be paid for as follows:

- Delivery ex works: paid for by Spheros

- Delivery free domicile: paid for by the Supplier

4.2.4 Soiling/contamination

Reusable packaging must neither be additionally labelled nor used for any purpose other than that for which it is intended, nor brought into contact with oil or fats any more than absolutely necessary.

4.2.5 Damage/loss

The Supplier will be charged for the costs arising from damage to or loss of reusable packaging for which he can be held responsible.

4.3 Customs handling

Unless specifically agreed otherwise, the Supplier will be responsible for handling any customs process which might be necessary.

4.4 Times of delivery

Deliveries will only be possible during normal working hours, information on which should be inquired about at the respective Spheros companies. Fixed delivery times are to be agreed where applicable.

5 Annex

5.1 Overview of alterations

Issue	Alteration	Date	Altered by
1	First issue	05/10	Christian Reisinger
2	addition weights in chapter 3.2	03/11	Rainer König

5.2 List of abbreviations

Abbreviation Explanation

ABS	Acrylonitrile-butadiene-styrene
EDI	Electronic Data Interchange
IPPC	Integrated Pollution Prevention and Control
JIT	Just in Time
KLT	Small load carriers
PA	Polyamide
PE	Polyethylene
PET	Polyethylene terephthalate
PES	Polyethersulfone
PP	Polypropylene
VDA	German Automobile Industry Association
VMI	Vendor Managed Inventory

5.3 Further documents

- Packaging data sheet
- Overview of standard packaging types