U.S. Domestic Inbound Routing Guide

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DISTRIBUTIONS
This document is distributed electronically through the DCS eProcurement Website. All U.S. Domestic Suppliers, Supplier Managers and Materials Managers are notified via e-mail.

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REVISION HISTORY

1.0 CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

Each recipient of the manual agrees to accept and maintain the contents of the manual as confidential and proprietary and to limit any dissemination to their employees who require access to same to perform obligations under this Agreement, to provide care for the manual and any other confidential and proprietary information consistent with that provided to the recipient's own confidential information, but no less than reasonable care, and to return the manual and all confidential information upon request by DCS.

2.0 SCOPE

2.1 This manual applies to all United States and Canada origin suppliers shipping to the following DCS and Avocent affiliated division locations, hereafter referred to as DCS (Data Center Solutions), or to U.S./Canada third party locations on behalf of DCS:

2.1.1 Liebert Corporation
- Calexico, CA
- Columbus, OH
- Delaware, OH
- Ironton, OH
- McAllen, TX

2.1.2 Liebert Services
- Astoria, NY
- College Park, GA
- Farmers Branch, TX
- Union City, CA
- Los Angeles, CA
- Wood Dale, IL
- Sterling, VA

2.1.3 Alber Corporation
- Pompano Beach, FL
- McAllen, TX

2.1.4 Avocent
- Huntsville, AL

3.0 PURPOSE

The purpose of this manual is to document and communicate DCS's supply chain strategies and procedures to our U.S. and Canadian based suppliers.

4.0 DEFINITIONS / TERMS

4.1 Package/Parcel Shipments

4.1.1 Packages weighing no more than 70 lbs with the sum of Length plus Girth (Girth = 2xW + 2xH) not exceeding 165 inches and not on a skid

4.1.2 Shipments weighing less than 225 lbs total with packages all meeting requirements of Section 4.1.1

4.2 LTL – Less Than Truckload Shipments

4.2.1 Shipments with any individual package weighing more than 70 lbs

4.2.2 Shipments where the sum of Length plus Girth (Girth = 2xW + 2xH) exceeds 165 inches

4.2.3 Shipments weighing more than 225 lbs, less than 19,999 lbs and occupying less than 24' of trailer space

4.3 FTL – Full Truckload Shipments

4.3.1 Shipments weighing 20,000 lbs. or more

4.3.2 Shipments occupying 24 feet or more of trailer space

4.4 Air Freight / Expedited Freight

4.4.1 Must be approved and routed by DCS's Traffic Department. See Section 7.6.

5.0 MANUFACTURER/SUPPLIER PACKAGE REQUIREMENTS

5.1 Package Design

5.1.1 Packaging shall not be manufactured by a process using chlorinated Fluorocarbons (CFC) or contain heavy metals.

5.1.2 Packaging shall be designed to protect the product and environment against the hazards present during storage, handling, and shipping.

5.1.3 The package shall provide the smallest footprint and lightest weight while maintaining an economical, safe, and protective design.

5.1.4 Products weighing 75 lbs. (34 Kg.) or less should be packaged in a manner that can be manually handled or unitized on a pallet.

5.1.5 Products weighing more than 75 lbs. (34Kg.) should be packaged in a manner that can be mechanically handled (i.e. fork truck, pallet jack).

5.1.6 Packaged products shall be clearly marked with the part number, date code, country of origin, and UPC as specified by current procurement, quality, and material handling processes.

5.1.7 Packaging used must comply with local, state, and federal regulations as well as international requirements for allowable material. Recyclable and/or biodegradable material shall be used to lessen any environmental impact.

5.1.8 The use of newly developed packaging is encouraged and recommended, provided it is equal to or better than current approved materials or products without substantially increasing the overall cost. Prior to any change, approval shall be obtained through DCS Procurement.

5.1.9 Products to be imported to any DCS facility (exception is Avocent) must be placed into crates. Ensure that regulated wood packaging used, if any, complies with the latest version of ISPM-15. Avocent does not receive materials in crates; they receive materials in boxes and/or on pallets.

5.1.10 Wood boxes or containers may be used for domestic shipment of products that exceed the strength limitations of boxes or containers made from corrugated fiberboard or for fragile items that requires rigidity, stacking, and protection from the hazards of shipping.

5.1.11 Products that are moisture sensitive, whereby exposure to moisture will cause corrosion, shall be preserved (coated or protected) properly. Unpainted, ferrous, and other metals, that experience undesired corrosion shall be coated with a corrosion preventive compound or barrier. Materials with VCI additive or desiccant bags allow for this type of protection.

5.1.12 Products that are ESD sensitive shall be packaged in anti-static material.

5.1.13 Packaging suppliers shall provide manufacturer information upon request.

5.2 Package Quality

5.2.1 Properly package all material such that no visible or operational damage occurs during transit to DCS facilities. The DCS Materials Department shall determine the quantity requirements per order for shipment as necessary. The DCS Procurement Department can dictate how items are packaged and shipped if repeated damage is found during receiving inspection.

5.2.2 Section 5.0 of this standard shall be adhered to by all manufacturers and suppliers of material used by DCS.

5.3 Wood packaging used for products destined to the DCS facilities in Calexico, CA, McAllen, TX, Mexicali, MX or Reynosa, MX must be packaged in conformance to the most recent version of ISTM-15 standards.

5.4 Packages should be ISTA Transit Tested certified.

5.4.1 Where carrier negligence is not proven, supplier will be held responsible for any damage incurred by the freight company if the packaging does not meet these standards.

5.5 LTL and FTL shipments should be secured to a skid for ease of loading and unloading freight.

5.6 Packaging that cannot support double stacking must be clearly labeled.

5.7 Multiple purchase orders shipped on the same day to the same destination must be consolidated into a single shipment on the same Bill of Lading.

5.8 DCS Purchase Order Numbers, Part Numbers and quantities must be referenced on the outside of all packages. If multiple orders and/or multiple part numbers are contained within a single shipment, consolidation within a single outer package is permitted provided that:

5.8.1 Each individual order number and line item part number is contained within individual inner packages and those inner packages are marked with the appropriate DCS Purchase Order Number, Part Number and quantity.

5.8.2 The outer package contains a summary of the DCS Purchase Order Numbers, Part Numbers and Quantities for all items contained within the outer package. Country of Origin needs to be marked on all packages as per U.S. regulations.

5.8.3 All goods not of US origin must have a Country of Origin marked on their packaging, as per US laws & regulations.

6.0 FREIGHT TERMS

6.1 Unless specifically authorized by contract terms or by special authorization with DCS, the standard freight terms for DCS purchases are freight collect to DCS's account. As a general rule, freight charges added to the Supplier invoice will not be recognized and the invoice will be paid short of this amount. In addition, when Suppliers are late with deliveries, it may be expected that the Supplier ship freight prepaid via expedited transportation in order to minimize the negative impact on DCS.

6.2 Small Package/Parcel ground shipments must be shipped "Ground Collect". Consignee account numbers are not required and are not to be referenced. If a parcel ground shipment is destined to a non-DCS facility, DCS will provide the parcel carrier account number to be used for the shipment.

6.3 Small Package/Parcel express (air) shipments are not permitted unless specifically authorization by DCS's Procurement or Materials organization. When express parcel service is authorized, DCS will at that time provide the parcel carrier account number to be used for the shipment.

6.4 LTL and FTL bill of ladings must be marked "freight collect." Account numbers are NOT required.

6.5 For LTL and FTL drop shipments, mark bill of lading, "Third Party Freight Collect Billing to:

Liebert Corporation
c/o CASS Freight Payment
P.O. Box 17626
St. Louis, MO 63178

6.6 Declared Value Insurance:

As DCS's standard purchase terms stipulate that the Seller is responsible for the risk of loss/damage during transit, DCS does NOT authorize the use of declared value insurance. Assigning declared value insurance to a ground parcel shipment will result in the parcel carrier invoicing those charges back to the Seller on a prepaid basis. Assigning declared value insurance to any other service level shipment will result in DCS debiting the insurance charge plus a 25% processing fee back to the Seller.

7.0 ROUTING GUIDE / CONTACTS /

7.1 Supply Chain Optimization (SCO) – Emerson Shipping Portal:

DCS has transitioned suppliers to SCO, for routing and dispatching decisions. Where a Supplier has been on-boarded to the SCO, and the instructions of the SCO differ from the instructions contained within this manual, the SCO instructions are

to take precedence. Training documents and more information can be found at www.emersonsuppliers.com.

7.2 Package/Parcel Shipments:

7.2.1 FedEx Ground:

- The standard method of shipping small packages, as defined in Section 4.1, to DCS facilities is with FedEx Ground service on a "Collect" basis. When using the Ground Collect method, DCS FedEx Account Numbers are NOT required and are not to be utilized.
- If arranging a drop shipment to a non DCS facility for which DCS will be responsible for freight charges, the shipment is to be made on a third party billing basis and a DCS FedEx Account Number will separately be provided by DCS to the Supplier.

7.2.2 FedEx Express:

- FedEx Express (air) services are not to be utilized unless specifically authorized by DCS.
- When authorized by DCS, the authorization is to include the appropriate DCS FedEx Account Number.

7.3 LTL – Less Than Truckload

7.3.1 Please book all LTL shipments via SCO

http://otm60emrprod.mavenwire.com/GC3/glog.webserver.servlet.umt.Login/

7.3.2 Alternate Less Than Truckload Contact:

If Supplier does not have access to SCO Portal or is having problems logging in, please contact DCS Traffic Department to arrange transportation. To enroll the SCO portal, please visit www.emersonsuppliers.com or contact below for the SCO setup form.

Tereasa Umlauf
Liebert Traffic Department
866-321-7947

Terrie Kim
Liebert Traffic Department
614-841-5981

Doug Bolton
Avocent Traffic Department
256-217-1228

7.4 FTL – Full Truckload

7.4.1 Preferred Full Truckload Method:

Please book all TL shipments via SCO

http://otm60emrprod.mavenwire.com/GC3/glog.webserver.servlet.umt.Login/

7.4.2 Alternate Full Truckload Contact:

If Supplier does not have access to SCO Portal or is having problems logging in, please contact DCS Traffic Department to arrange transportation. To enroll the SCO portal, please visit www.emersonsuppliers.com or contact below for the SCO setup form.

Tereasa Umlauf
Liebert Traffic Department
866-321-7947 or
614-841-5784

Terrie Kim
Liebert Traffic Department
614-841-5981

Doug Bolton
Avocent Traffic Department
256-217-1228

Please note that full truckload shipments should be scheduled with the carrier at least 24-hours prior to the anticipated loading date/time.

7.5 Alternative Carriers:

If a Supplier has problems associated with any of the assigned carriers listed in Section 7, the Supplier must communicate the problem to their primary DCS contact party and solicit the DCS contact party for carrier corrective action or carrier change. The DCS contact party will be responsible to communicate the problem along with any recommended alternative carrier(s) to the DCS Logistics Manager to either initiate appropriate corrective action with the carrier or to obtain approval for a mutually agreeable alternative carrier.

7.6 DCS Traffic Department

7.6.1 Liebert Logistics Manager
James Rossi
614-841-5866
James.Rossi@emerson.com

7.6.2 Tereasa Umlauf
Liebert Traffic Department
866-321-7947 (Option 3)
866-321-7948

Doug Bolton
Avocent Traffic Department
256-217-1228
866-321-7947

8 CANADA ORIGIN SHIPMENTS – ADDITIONAL REQUIREMENTS

8.1 U.S. Customs Clearance:
Shipping documents are to be marked: "U.S. Customs clearance to be arranged by UPS/SCS. UPS/SCS contact is Dave Morris (440-260-3035) upsemersonbrokerageteam@ups.com".

8.2 Shipping Documentation:
The applicable Bill of Lading, Customs Invoice, Packing List and NAFTA Certificate of Origin must be provided to the carrier in order to accompany each shipment.

8.3 Required Data Fields for Customs Invoice:
- DCS P.O. Number
- DCS Part Number(s), Part Description(s) and Quantity(ies)
- Unit Prices and Extended Prices
- Currency of Sale (US$, CAN$, other)
- Country of Origin

8.4 NAFTA Certificate of Origin:
8.4.1 Invoices containing items identified as being of US, CA or MX origin must be accompanied by a properly completed NAFTA Certificate of Origin.
8.4.2 The NAFTA Certificate of origin must be provided to the carrier for forwarding to our designated U.S. Customs Broker, UPS-SCS.

8.5 Shipping Marks:
All packages must be marked/labeled on the outside with the "Consign To" name and address PLUS the applicable P.O. number. In addition, copies of the Packing Lists are to be attached to the outside and inside of each package.

9.0 MEXICO ORIGIN SHIPMENTS – ADDITIONAL REQUIREMENTS

9.1 General Guidelines:
9.1.1 These guidelines are meant to cover shipments from Mexican origin locations to DCS USA delivery locations.
9.1.2 Freight charges are to be identified as Collect.
9.1.3 Origin country (MX) export clearance is to be arranged and paid for by Supplier.
9.1.4 Destination country (US) import customs clearance arrangements and costs are assumed by DCS.

9.1.5 Multiple orders shipping on one day to a single destination are to be consolidated into a single shipment unless specific instructions are issued otherwise.

9.1.6 Consignee name and address are to be as assigned as identified on individual DCS Purchase Orders.

9.1.7 Shipping documents must reference DCS's Purchase Order number(s) contained within the shipment.

9.2 Parcel Shipment Instructions:

9.2.1 Parcel Shipment Definition: Refer to Section 4.1 for definition of Parcel.

9.2.2 Carrier: UPS - Worldwide Saver Service (2-3 days).

9.3 Less than Truckload (LTL) Shipments:

9.3.1 LTL Definition: Refer to Section 4.2 for definition of LTL.

9.3.2 Supply Chain Optimization (SCO) – Emerson Shipping Portal:

DCS has transitioned suppliers to SCO, for routing and dispatching decisions. Where a Supplier has been on-boarded to the SCO, and the instructions of the SCO differ from the instructions contained within this manual, the SCO instructions are to take precedence. Training documents and more information can be found at www.emersonsuppliers.com.

9.3.3

Tereasa Umlauf
Liebert Traffic Department
866-321-7947 or
614-841-5784

Terrie Kim
Liebert Traffic Department
614-841-5981

Doug Bolton
Avocent Traffic Department
256-217-1228

Notes to be included on Bill of Lading:

- MX Export Clearance for Shipper's account (Supplier/Shipper to include their detailed instructions for MX export clearance)
- U.S. Customs Broker for account of Emerson-DCS (Port of Laredo ONLY):

Brenco, Inc.
13166 Unitec Dr., Suite A
Laredo, TX 78042
Primary contact: Luis Lara
Phone: 956-727-3361; Fax: 956-728-7017
Email: llara@brencoinc.com

For Brokerage instructions on shipments passing through any port other than Laredo, please contact Patrick Painter with the DCS International Trade Compliance Group (614-841-6083, patrick.painter@emerson.com).

9.4 Shipment Documents and Notification:

9.4.1 Documents: Copies of the Supplier/Shipper prepared Commercial Invoice, Packing List and NAFTA Certificate of Origin are to be provided to the carrier at time of shipment.

9.4.2 Shipment Notification: Immediately upon shipment, a notification or pre-alert for the shipment should be sent out to the Materials Acquisition Specialist (MAS) placing the purchase order and to Patrick Painter (patrick.painter@emerson.com). The notification shall identify the shipment date, carrier name and tracking number and shall also include copies of the Shipment Documents. When shipping LTL method, the U.S. Customer Broker identified in Section 9.3 shall also be included in the notification distribution.

REVISION HISTORY

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0	
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