



General Logistics Guidelines for finished goods



Title of the Process Instruction: Logistics Guidelines

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2.3.3 Freight forwarding agents

Leifheit recommends that all suppliers work with their main freight forwarding agents. Details regarding this can be obtained from the Leifheit purchasing agent who is responsible.

3 Notifications

3.1 Significance

Supplier notifications have a great influence on the continuity of the goods flow and thus on the availability of the goods. They thus help to enable the planning of the capacity in the goods inwards and thus ensure the uninterrupted handling of deliveries. Thus the correct notification of deliveries greatly reduces the waiting periods of the respective transporter and guarantees that the deliveries can subsequently be made punctually.

3.2 Specifications / course

All deliveries must be notified by the supplier / service provider or its representative or the (overseas) freight forwarder responsible at least 48 hours before the scheduled time of delivery.

The respective delivery notification is to be undertaken by means of the Excel sheets prescribed by Leifheit (see annex 6) and to be sent by e-mail to the respective goods inwards manager. The updated format of the Excel sheet can be requested from the manager of the respective goods inwards section or the manager of the returns as a file.

Deliveries that are not notified do not have any claim on being unloaded without delay.

The respective manager of the goods inward or goods return shall determine a special unloading time or unloading schedule in such cases. Deliveries can however also be rejected if prompt unloading is not possible.

4 Delivery time

Deliveries must be provided within the business hours of the respective goods inwards. Should deliveries be possible only outside the business hours of the goods inwards, the goods inwards manager or the returns manager shall determine the exact schedule for unloading. Disadvantages arising from this are to be borne by the supplier.

Delays expected in the delivery schedules mentioned in the notifications are to be conveyed immediately after the circumstance of the delay becomes known, to the respective goods inwards manager. The further course of action is to be agreed upon in every case.

In case of delays, the supplier must accept the allocation of a later unloading schedule. At the same time, the supplier is obliged to minimise the delays that are to be expected as a result.

Should the scheduled transfer and waiting times be overshoot due to the fault of the supplier, for example because the lorry must travel further so as not to endanger another connection and delivery schedule, the supplier is obliged to organize another delivery on its own initiative and cost.



5 Shipping Documents

Every despatch must contain a way bill and a delivery note. These are to be prepared in DIN A4 format with a clear contrast on a paper that is capable of being faxed and photocopied. It is recommended to use the Leifheit standard way bill template. The currently valid version may be obtained from the respective goods inwards manager or the manager of the returns.

Minimum information content of the shipping documents:

5.1 Way bill

- Number of the way bill
- Date of preparation
- Date / exact part of day (morning / afternoon) of the delivery
- Name of the dispatcher / address and international locations number = ILN (ILN only when present)
- PO number
- Leifheit delivery address
- Leifheit item number, item count and item designation
- Designation / number and total of the respective loading device
- Part delivery information (if applicable)

5.2 Delivery note

- PO number
- Leifheit delivery address
- Dispatcher's name / address
- Weight and volume of the consignment
- Number of packages

6 Delivery equipment / Unloading

In order to ensure a rapid and seamless delivery, it is important that deliveries by freight forwarders (exception: packet services) take place with vehicles that can be unloaded on a ramp on the rear side.

Unloading goods on pallets takes place as a rule through the driver of the transport company making the delivery; it can however also be undertaken by Leifheit personnel.

Note:

Every driver, who unloads goods on his own, is obliged to sign the Leifheit regulations. The Leifheit safety regulations shall be handed over by the manager of the goods inwards.



7 Quality of the Packages / Palettes

7.1 General requirements

1. The stipulations of the packaging guidelines of Leifheit AG as well as the details mentioned in the Leifheit Packaging Sheet for the respective article shall apply (both are available with the respective purchaser).
Examples: see annex 2 and 3
2. The goods must be delivered in a dry, clean and undamaged condition.
3. It is to be ensured by the freight forwarder that the cargo is adequately secured for transport.
(Example: see annex 4)
4. Goods not transported on palettes must be loaded in such a way that the corrugation of the cardboard packaging is kept perpendicular to the truck bed.
5. The manner of loading shall be oriented according to the container / lorry packing plan prescribed by Leifheit (example: see annex 5)
6. The loading must take place one after another and order by order.
7. The palette dimensions (e.g. Euro palette: 1200 × 800mm) should not be exceeded by any goods placed on top of the palette. Deviations from this in individual cases should be discussed with the purchaser responsible before the first delivery is made and permission for this has to be given.

7.2 Goods inwards inspection

Leifheit carries out a visual spot-check inspection (of the quantity and quality) at the goods inwards. Damage which can be seen externally are noted on the bill of lading. Goods with visible defects and/or goods that do not meet or suffice the requirements of the order can be directly rejected by Leifheit on the ramp. Incorrect, defective or goods that have not been ordered shall be rejected immediately.

Upon receiving the goods Leifheit reserves the right to rejection based on a later detailed inspection (quantity differences, damage that were not visible externally) within a maximum of 7 days after delivery.

7.3 Palette type and condition

a) In case of lorry delivery

These deliveries must essentially take place on intact and clean Euro palettes. Deviations from this type of palette delivery (e.g. disposable palettes or non-palette deliveries) must be discussed in advance by the purchaser responsible and sanctioned.

b) In case of container deliveries

In case of container deliveries it is always to be clarified in advance with the purchaser responsible as to whether the delivery should be made on palettes or whether it is

permissible to load the goods into the container without palettes. Container packing plans are binding in every case.

c) In case of parcel deliveries

These deliveries are unloaded by the driver on containers made available by Leifheit.

➤ Specifications of the palette quality (source: www.epal-pallets.org)

- Bottom or top deck lead boards must not be splintered
- Boards should not be broken either slantways or across.
- No boards or studs or rivets shall be missing. The studs or rivets should not be screwed.
- The carrying capacity of the palettes should not be adversely affected due to brittle or rotting boards or studs.
- The palettes should not be dirty so as not to stain any goods.
- No splitting off should be present on rivets or studs.
- No non-permitted components should be found on the palettes (e.g. too thin boards, too narrow studs).



- Palettes that have been repaired must be identified by a repair nail on a centre block on the long side.



7.4 Stability / Film coating

All pallets must be packed in such a way that a firm connection between the pallet and the goods kept on it is always ensured. In every case, it should not be possible for individual packages to become detached from the pallet.

Pallets are to be wrapped with film and delivered. Additional binding possibilities such as bands etc. are to be deployed only in accordance with the Packaging Data Sheets. Deviations from the specifications laid down are to be clarified in advance with the purchaser from Leifheit who is responsible.

It is also to be ensured that the top side of the pallets is protected from dust and dirt by an appropriate foil covering.

7.5 Packaging aids

Prescribed packaging aids, for example, edge reinforcements are to be used in accordance with the details given in the packaging guidelines and the respective Packaging Data Sheets.

7.6 Quantity of goods per pallet / layout plan / residual amounts

Pallets must be packed as stacked units in every case. The layout plan specified for each item and the details regarding the number of packing units (PU) / item / sites per pallet are to be conformed to in every case. Pallets for residual amounts are to be avoided or to be confirmed with the purchaser responsible in advance. Based on the classification of the pallets is the policy-setting plan of GS1, and the document "Leifheit guidelines for setting pattern of pallets in the LDZ"

7.7 Hazardous goods

Leifheit expressly points out that the hazardous goods regulations are to be conformed to by the supplier and the freight forwarder, cargo agency or other third parties engaged by the supplier.

7.8 Label

All logistic units (pallets, master and PU cartons) must be provided with the Leifheit label as prescribed. The specifications applicable in each case (e.g. number and type of labels) are to be taken from the relevant Packaging Data Sheets.

Fundamentally, the following applies:

1. The suppliers own labels or inscription are not permissible to be the only identification or labelling of logistic units.
2. The labelling of Soehnle products is subject to separate specifications (see annex 7). Further details can be obtained from the purchaser responsible.

Example for a label of a sale packaging (sale carton, shrink wrap film, sale sleeve, etc)
(Barcode type: EAN 13)

Note: Normally the label of a sale unit is the product tag or label or the product inlay, whose data are available from Leifheit marketing department.



Example of a consignor carton label (bar code type: EAN 13)

Item name points to the LEIFHEIT logo and the list of product variants.

Item number points to the large number 74291.

Manufacturer's logo points to the LEIFHEIT logo.

EAN 13 points to the barcode.

Product variants listed on the label:
 Side-Car Color silber VS
 Side-Car Color silber MO
 Side-Car Color argent MO
 Side-Car Color argento MO
 Side-Car Color plata MO
 Side-Car Color zilver MO
 Side-Car Color silver MO
 Side-Car Color silver MO

Barcode: 006501 742919 4

Example of a PU carton label (barcode type: EAN 128)

Item name points to the LEIFHEIT logo and the product description.

P.O. = purchase order no.
C.O. = call order no. points to the P.O. and C.O. fields.

From left to right:
 Carton Number
 Total no. of cartons
 Year of production
 week of production

Number of items per PU and Item number points to the large text 5 x 72708.

Manufacturer's logo points to the LEIFHEIT logo.

EAN 128 points to the barcode.

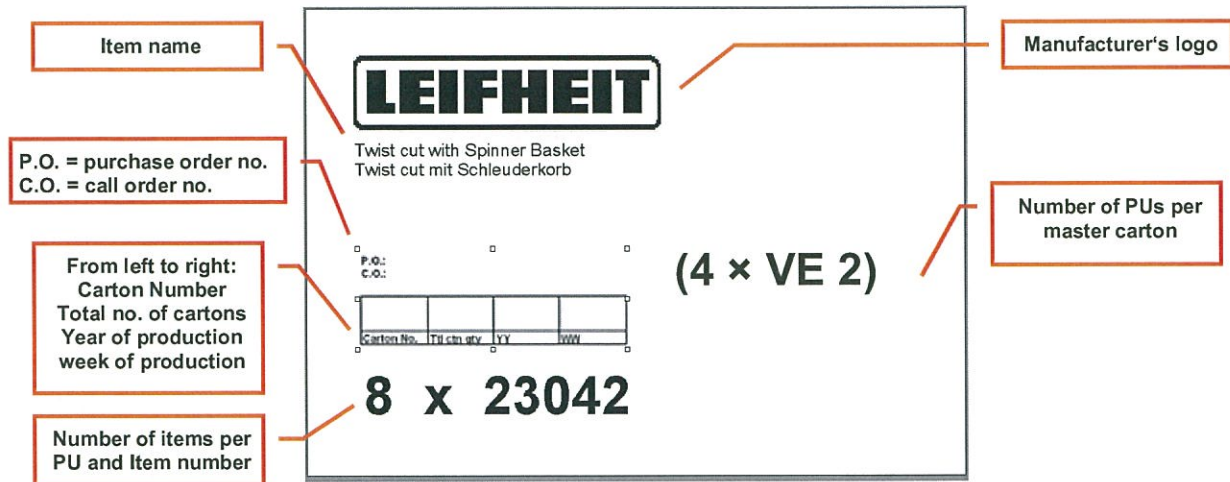
Product description: Wäscheständer ADRIA 110
 Laundry dryer ADRIA 110

P.O.:
 C.O.:

| | | | |
|------------|-------------|----|----|
| Carton No. | Ttl ctn qty | YY | WW |
|------------|-------------|----|----|

Barcode: (01) 04006501942616

Example for a Master- / Palette carton label (without barcode)



Label dimensions: LEIFHEIT = 105 × 75mm / SOENLE = 95 × 60mm / dispatcher label = 70 × 50mm

8 Deviation rules

8.1 Inspection procedure in goods inwards and returns

In order to be able to ensure uniform quality, deliveries are inspected for conformance to the specifications in the goods inwards or return departments.

8.2 Rework

If deficiencies are determined during incoming goods inspection, costs for rework are incurred. In such cases, Leifheit reserves the right to deduct these costs from the invoices payable. The value of the rework cost in this is based on the cost rate listed in the penalty list (see annex 1).

8.3 Vendor evaluation

Suppliers are subject to regular performance monitoring which is based on the enquiries of the respective supplier level in the goods inwards. An evaluation / grading of the respective supplier takes place on the basis of the data obtained in these inspections. Should the evaluation of the supplier fall below a target rating, measures are decided upon together to improve the grading.



9 Annexes

Annex 1

Penalty list for complaints in goods inwards

| Rework in goods inwards | Cost computed in euros* |
|---|-------------------------|
| General lump-sum charge for rework for complaints | 70.00 per complaint |
| Missing / incomplete / defective shipping documents | 50.00 per delivery |
| Wrapping palettes afresh | 30.00 per palette |
| Repacking on another palette including wrapping | 50.00 per palette |
| Labels | 0.70 per label |

*Status as on: 2011

Remarks:

This list applies likewise for deviations that are determined in respect of the specifications in the packaging guidelines and in the respectively applicable Packaging Data Sheets.

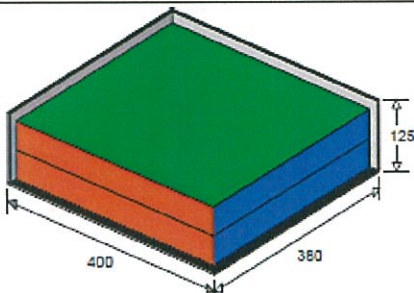
Annex 2

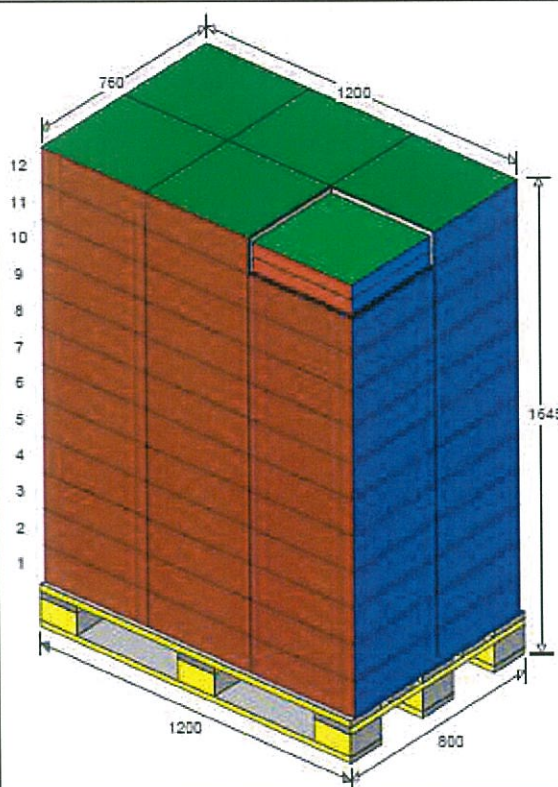
Example of a Leifheit Packaging Data Sheet



8 April 2010

| | |
|------------------|------------------|
| Product | PWD Silver Sense |
| Product-Number.: | 061350 |

| | |
|---|--|
| Dimensions of the Euro Palette (EP) 380.0 × 360.0 × 50.0mm Dimensions of the packing unit (PU) 400.0 × 380.0 × 125.0mm (390.0 × 370.0 × 115.0mm) PU height value on the palette EP / packaging unit |  |
|---|--|

| | |
|---|--|
| Palette stowage area: 1200.0 × 800.0 × 1605.0mm Block dimensions 1200.0 × 760.0 × 1500.0mm Surface space utilisation: 95% volume utilisation: 88.8% 6 packing units in each stacking tier 12 stacking tiers on the palette 72 packing units / palette 144 EP / palette |  |
|---|--|

Process instruction number.:
AR LO 010
Title
Logistics guidelines

Valid from:
1 October 2011

Page:
14 of 21
Document:
Process instruction








Annex 3

Packaging guidelines of Leifheit AG*



Packaging Guidelines

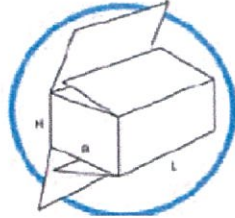
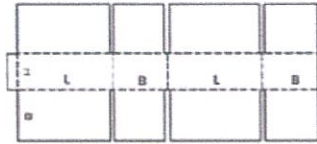
Prepared by: Andreas Fiedler/ EW
Status – as on: 2006 version 1

| Packaging Guidelines | | |
|--|---|--|
| 11.2. Symbols | | |
| Labelling / identification | Symbol | Clarification |
| Fragile goods Fragile, Handle with care |  | The symbol is to be affixed on goods that are easily broken. Items labelled in this manner are to be handled carefully and never to be strapped together or allowed to fall. |
| Do not use hand hooks |  | Goods labelled in this manner shall not be subjected to punctiform (point) loads or stress. The symbol does not automatically forbid plate hooks attached to the cover of bagged cargo. |
| Top |  | The unit must fundamentally be transported, trans-shipped and stored so that the arrow always points towards the top. Rolling, flapping over, strong tilting or edging or other similar forms of handling must not be undertaken. The cargo however need not be stored "on top". |
| Protect against heat / sun rays |  | The symbol is usually applied if the goods are to be kept as cool as possible. In every case, it must be protected from sources of heat. It can be applied in order to enquire if existing or expected temperatures can be damaging to the goods. Also to be used for goods that everyone knows should not be subjected to heat, e.g. butter and chocolates, in order to avoid damage. |
| Protect from heat and radioactive rays. |  | Radiation as described for the previous symbol. Basically here the goods must also be protected against radioactive rays. |

Packaging Guidelines

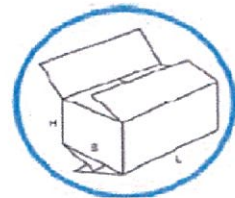
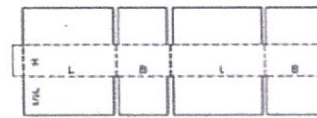
Description: 0203

Assembly M / A



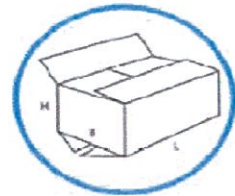
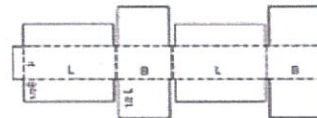
Description: 0204

Assembly M / A



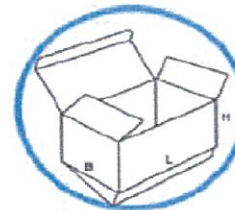
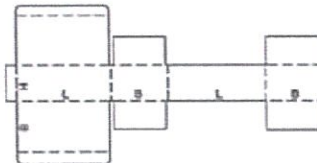
Description: 0205

Assembly M / A



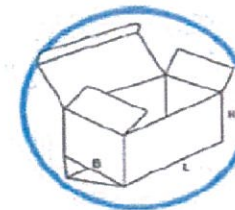
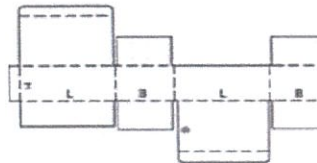
Description: 0210

Assembly M



Description: 0211

Assembly M

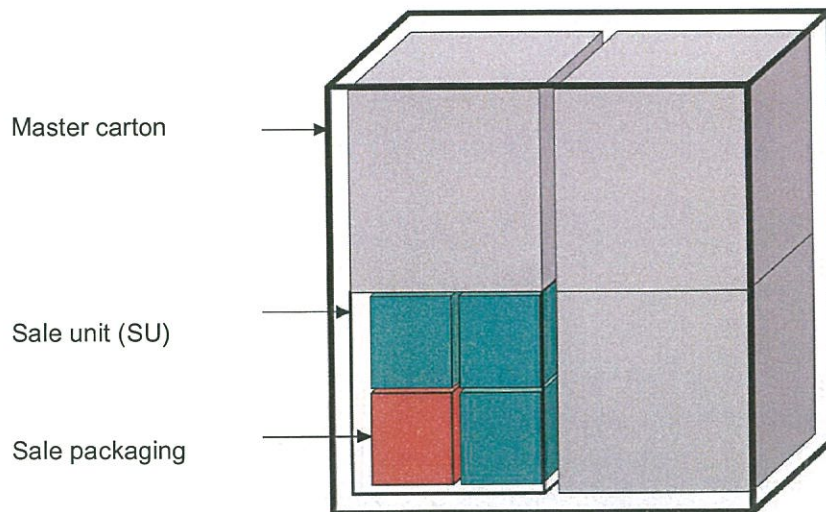


Packaging Guidelines

Sale packaging: Sale packaging has been described in Section § 3 Paragraph 1 Clause 2 of the Packaging Ordinance as follows:

“Closed or open containers and wrappings of goods such as beakers, bottles, packs, blister packs, bin, drums, barrels, cartons, boxes, sacks, carry bags, totes or similar wrapping or external covers that are used by the end user for transport or use of the goods. In the sense of this Ordinance, disposable vessels and non-returnable crockery are also sale packaging.”

Sale packaging is packaging that loses its function only with the end user.



*exemplary extract, the complete and valid version is available from the responsible purchaser.

Annex 4

Example for securing the cargo for transport (container)

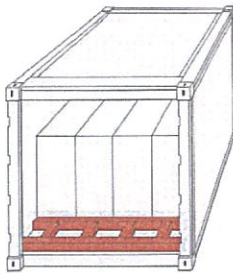
Packaging Guidelines

14. Securing of cargo in containers

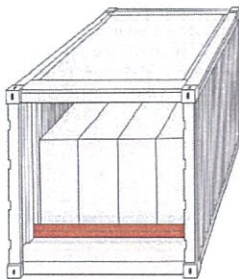
14.1. General rules of cargo securing

The cargo in the container must be secured on all sides against shifting around, and in the first place towards the door. Empty space between the packages and / or the container walls are to be filled in. The facilities provided for lashing to the floor and ceiling as well as in the corner pillars are to be used for securing the cargo. The loading of the container and the securing of the cargo shall be undertaken while taking note of the Guidelines for the Packing of Cargo other than bulk materials in or on cargo transport units (CTUs) during transportation with all transport carriers on water and on land. Air transport is not taken note of here.

14.2. Examples of optimal securing of cargo



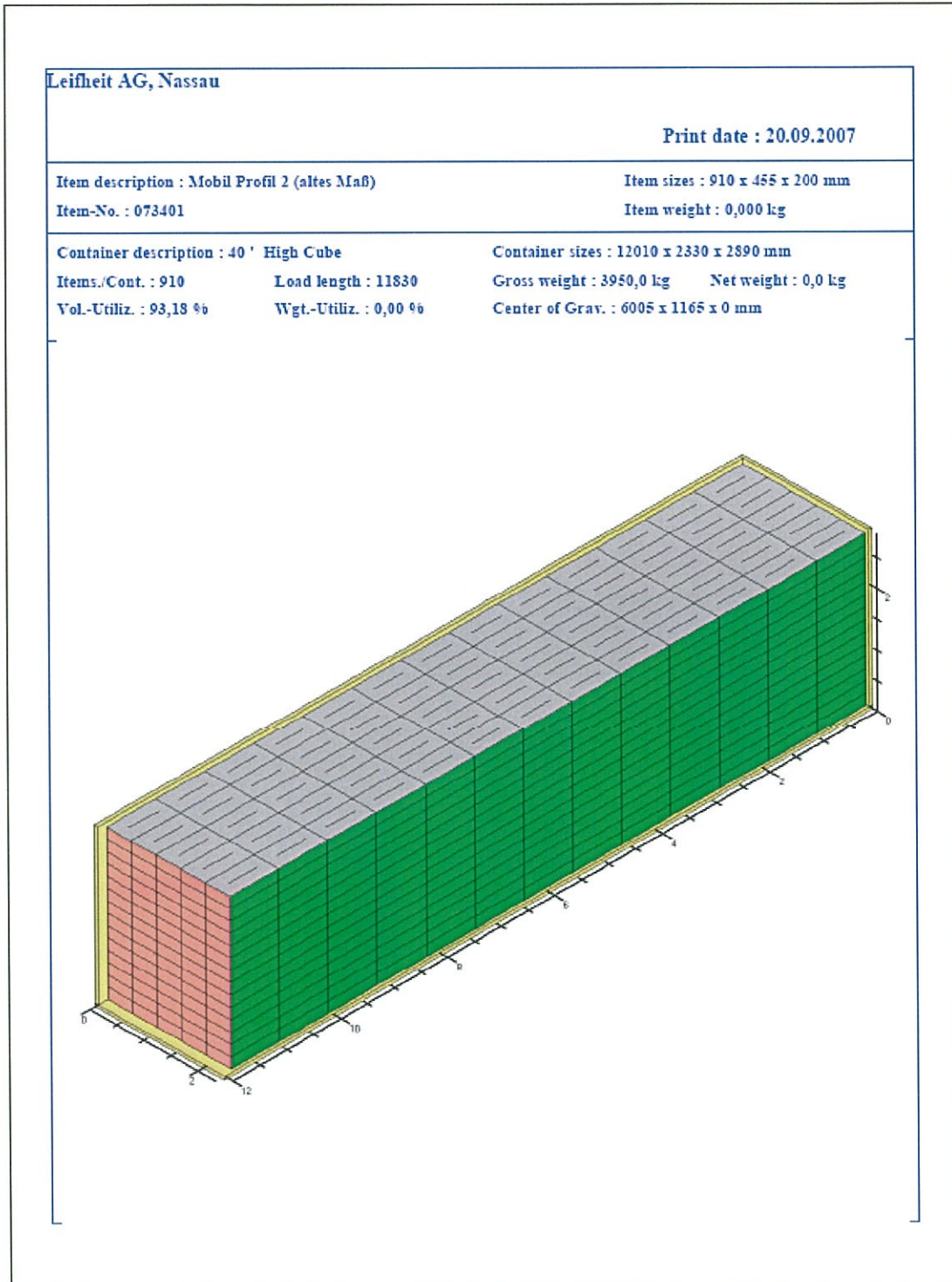
Securing of cargo towards the door: The free space between the cargo and the corner posts is filled in using squared lumber.



Securing of cargo towards the door: With the help of beams that are adapted to the corrugations in the side, the cargo is secured in the direction of the door.

Annex 5

Example of a container packing plan





Annex 6

Axis pattern

(Status – as on: Sep 2011)

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 Friedrich-Ruschitzka-Str. 1
 Mr. Bilic

7 4939 Zuzenhausen

Email to:
 darko.bilic@leifheit.com

Date / Datum: 01.10.2011

Shipping Notice

Anbei finden Sie detaillierte Informationen bzgl. unserer nächsten Anlieferungen.
 Wir werden Ihnen den Lieferschein unverzüglich nach Verladung der Sendung faxen oder mailen.

Enclosed you will find our next deliveries with following detailed information
 After the loading we will send you the Bill of Lading per fax or email immediately.

| Supplier | Day of Delivery | Time of Delivery (morning / afternoon) | Item-No. | Quantity | Cargo unit- quantity | Pallet- quantity |
|-----------|-----------------|---|---------------|-----------------|-------------------------|---------------------|
| Lieferant | Anliefertag | Anlieferzeit (vormittag/nachmittags) | Artikelnummer | Anzahl Stück | Anzahl Colli | Anzahl Paletten |
| | | | | | | |

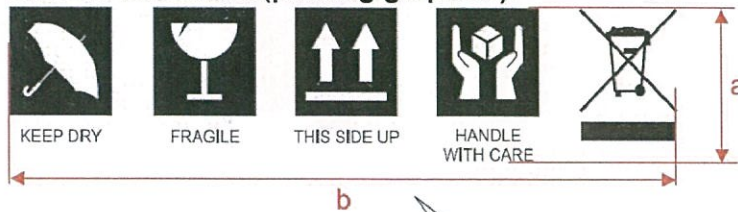
Annex 7

Label regulations for Soehnle products

SOEHNLE

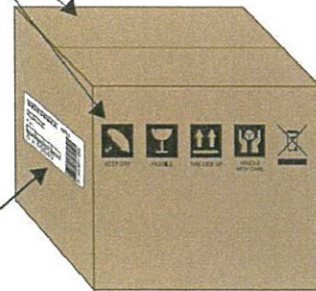
Specification Covering Box and EAN label - Scales

On both side walls (printing graphics):



Kitchen Scale:
 a: min. 50 mm
 b: min. 200 mm

Bathroom Scale:
 a: min. 60 mm
 b: min. 250 mm



On the front wall (EAN label):

Manufacturer's logo (points to SOEHNLE)

Item name (points to Küchenwaage / Kitchen scale)

P.O. = purchase order number (points to P.O. field)

From left to right:
 Carton Number
 Total no. of cartons
 Year of production
 week of production

No. of items per PU and item number (points to 6 x 65840)

LEIFHEIT AG 66377 Nüßdorf

Barcode (01)04006501102959

EAN 128

60 mm (height of label)

95 mm (width of label)