

## INTERNATIONAL SHIPPING POLICY 2013

### **The following is a checklist of information that must be listed on any International Purchase Order before it is accepted and processed.**

- Name and invoicing address of the buyer
- Name and shipping address of the Ultimate (End) Destination:
  - If purchase order is placed on buy/resell basis through local representative, Clark-Reliance will require the complete name and address of the Ultimate (End) Destination that the goods will be sold to.
  - Clark-Reliance will not accept country name only as the Ultimate (End) Destination.
  - If customer/representative can not provide the "Ultimate (End) Destination" on the Purchase Order – Clark-Reliance requires the attached "**International End User Form (Form A)**" to be completed and submitted with formal PO.
- Purchase order number
- Date of purchase order
- Approved Payment Terms
- Quantity, description, and price of the product being purchased
- Any special instructions or requests from the buyer – including distribution instructions for transportation documents
- Shipping method (EXW, FCA, CPT or CIP) must be listed (See Attached "INCOTERMS 2010" Reference Chart)  
Note: If a freight quote was provided to ship goods, it must be included with the purchase order.
- Freight Payment Terms: (i.e. Prepaid or Collect) Payment Terms must comply with the chosen INCOTERM payment specification

#### **IMPORTANT NOTES:**

- 1) If shipment is being sent collect via a courier (UPS®, FedEx®) we will require a collect number for the freight (DHL® not accepted).
- 2) If the "Sold To" address is different than the "Ultimate Destination" address:

a) The customer and/or representative are responsible for nominating a freight forwarder to collect the goods. Complete contact information of the nominated freight forwarder will be required. Clark-Reliance will work directly with this nominated freight forwarder only. We will not work with third party freight companies

b) Clark-Reliance Corporation will prepare our standard documentation (Commercial invoice). The customer and/or representative will be responsible for providing their own documentation (Commercial invoice) to their nominated freight forwarder for customs clearance and the ultimate destination.

#### **For Example:**

**Customer "A" purchases a product and wants to ship to their customer, "B."**

**Customer A will nominate and communicate with a Freight Forwarder to coordinate and handle the shipment.**

**Clark-Reliance will work that forwarder on Customer A's behalf. Clark-Reliance will supply the original Commercial Invoice (exact amount paid to Clark-Reliance) to the Freight Forwarder for export purposes.**

**For import purposes, Customer A may supply the Freight Forwarder their own Commercial Invoice (to replace the original Clark-Reliance Commercial Invoice) that will be delivered to Customer B with the product(s).**

**If Customer A chooses not to supply their Commercial Invoice for import purposes, the original Clark-Reliance Commercial Invoice will be used.**

**INTERNATIONAL SHIPPING POLICY 2013**  
**Crating Policy- 2013**

**All Wood Packaging Material used is  
In compliance with Current U.N.-ISPM 15 Specifications**

**All International orders must state Export packed and specify Air or Ocean freight**

**Purchase Order Requirements:**

See Page (1) of this policy for a checklist of the items and information that must appear on all Purchase Orders shipping internationally.

**Notes:**

1. Crating Charges will be added for all shipments (See box below).
2. Shipping quotations (Including related costs) must be obtained through Clark-Reliance prior to issuance of Purchase Order if shipping via "Prepaid and Included" payment terms.
3. Products sold from Clark-Reliance to a domestic customer for re-sale internationally are not considered International shipments. These shipments are the responsibility of the domestic customer; Clark-Reliance cannot prepare export documents or act as an exporter under US Customs law when the products are purchased by a domestic customer for re-sale internationally.

**Crating Charges for All Shipments:**

UPS & FedEx Shipments

0 – 150 pounds - N/C  
151+ pounds - Must ship common carrier/LTL

Common Carrier/LTL

0 – 150 pounds -	N/C (No Charge)
151 – 500 pounds	\$50
501 – 1000 pounds -	\$250
1001+ pounds -	\$350
( + \$75 for each additional 500 pounds or quoted value from outside source)	

**Note:** Crating Charge will be listed as a "Line Item" on all invoices and shipping documents.

## **INTERNATIONAL SHIPPING POLICY 2013**

### **Clark-Reliance Accepted INCOTERMS**

All International Shipments will be shipped using one of the enclosed INCOTERM methods.

Please keep in mind that these International Shipping (INCOTERM) methods, policies, and procedures have been established to function within US Customs Import and Export Laws, and the standard policies of the international shipping community. Clark-Reliance can only work within the INCOTERM options listed in this policy.

This policy has been developed to help both Clark-Reliance and the customer clearly define the responsibilities, procedures, and required information needed to fulfill the purchase order in the most expedient and economical means possible.

INCOTERMS define the responsibility of the buyer and the seller (Clark-Reliance) but it does not:

- Communicate payment terms
- Convey title of goods

Purpose of INCOTERMS:

- Define the role and responsibilities of the buyer and seller for the delivery of goods
- Determine how costs and risks are allocated
- INCOTERMS are NOT law, but a set of rules accepted by all international shipping organizations used by Clark-Reliance

**EX- Works, Strongsville, Ohio 44149 U.S.A. is our recommended and preferred method for international shipping.**

INCOTERMS 2010 took effect on January 1, 2011. This is the first revision to the terms in 10 years. The Incoterms are global rules that clarify the responsibilities of both sellers and buyers. The Incoterms 2010 now apply to both domestic and international transactions.

The terms are now separated into two groups. **The one group, EXW, FCA, CPT, and CIP is applicable to ALL MODES of transport, and Clark-Reliance can only use these terms when providing quotations and accepting Purchase Orders.**

The second group is **NOT** applicable to Clark-Reliance. The following terms: FAS, FOB, CFR and CIF are only applicable to Sea Transport of "BULK" Cargo such as grain, sugar, oil, etc. Purchase Orders listing any of these shipping methods **CAN NOT** be accepted.

Customer must be specific with INCOTERMS on all Export Orders to ensure the order is shipped correctly.

Examples:

- INCOTERM: Ex-Works, Strongsville, Ohio 44149 U.S.A.
- INCOTERM: FCA Air America Terminal 2, Columbus Airport, Columbus, Ohio U.S.A.

The following pages (4-7) are detailed listings and reference for the (4) accepted methods of International Shipping per INCOTERMS 2010. Any questions on Incoterms can be directed to Clark-Reliance's Traffic Department.



"Ex works" means that the seller delivers when it places the goods at the disposal of the buyer at the seller's premises or another named place (i.e. works, factory, warehouse, etc.). The seller does not need to load the goods on any collecting vehicle, nor does it need to clear the goods for export, where such clearance is applicable.

The parties are well advised to specify as clearly as possible the point within the named place of delivery, as the costs and risks to that point are for the account of the seller. The buyer bears all costs and risks involved in taking the goods from the agreed point, if any, at the named place of delivery.

EXW represents the minimum obligation for the seller. The rule should be used with care.

Incoterm Service		Export Packing	Marking & Labeling	Block and Brace	Export Clearance (License, EEI, AES)	Freight Forwarder Documentation Fees	Inland Freight to Main Carrier	Origin Terminal Charges	Vessel Loading Charges	Ocean Freight/Air Freight	Nominate Export Forwarder	Marine Insurance	Unload Main Carrier Charges	Destination Terminal Charges	Nominate On-Carrier	Security Information Requirements	Customs Broker Clearance Fees	Duty, Customs Fees, Taxes	Delivery to Buyer Destination	Delivering Carrier Unloading
<b>EXW EX-Works</b>	WHO PAYS	Seller	Seller	1	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	3	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer

- \* 1 - Incoterms 2010 do not deal w/ the parties obligations for stowage within a container and therefore, where relevant, the parties should deal with this in the sales contract
- \* 2 - FCA Seller's Facility - Buyer pays the inland freight; other FCA qualifiers. Seller arranges the loads and pre-carriage carrier and pays inland freight to the "F" delivery place
- \* 3 - Incoterms 2010 does not obligate the buyer nor the seller to insure the goods, therefore this issue must be addressed elsewhere in the sales contract
- \* 4 - Charges paid by Buyer or Seller depending on the contract of carriage
- \* 5 - Charges paid by the Seller if through Bill of Lading or door-to-door rate to Buyers destination

**STANDARD SHIPMENTS:**

- \*Buyer Responsibilities: Provide complete contact information for final consignee (phone, email, contact name); specify final destination; dictate any special requirements.
- \*Seller Responsibilities: Provide US Census info (sched B #, licensing, value etc); provide packing list; provide commercial invoice.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

**DROP SHIPMENTS:**

- \*Clark Reliance - will be responsible for generating a commercial invoice to be used for US Customs export purposes and unless otherwise instructed the invoice will remain in the freight forwarders files.
- \*Buyer - responsible for generating commercial invoice for customs import purposes at final destination. This invoice needs to be sent directly to the ultimate consignee for customs clearance purposes.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES when authorized; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

Country Requirements: Specific country requirements are to be determined by buyer or freight forwarder.

\*\* No small package courier service permitted, must go through freight forwarder

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**FCA**  
**FREE CARRIER**  
 (...named place of delivery)



"Free Carrier" means that the seller delivers the goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. The parties are well advised to specify as clearly as possible to the point within the named place of delivery, as the risk passes to the buyer at that point.

FCA requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

Incoterm Service		Export Packing	Marking & Labeling	Block and Brace	Export Clearance (License, EEI, AES)	Freight Forwarder Documentation Fees	Inland Freight to Main Carrier	Origin Terminal Charges	Vessel Loading Charges	Ocean Freight/Air Freight	Nominate Export Forwarder	Marine Insurance	Unload Main Carrier Charges	Destination Terminal Charges	Nominate On-Carrier	Security Information Requirements	Customs Broker Clearance Fees	Duty, Customs Fees, Taxes	Delivery to Buyer Destination	Delivering Carrier Unloading	
FCA	WHO PAYS	Seller	Seller	1	Seller	Buyer	2	Buyer	Buyer	Buyer	Buyer	3	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer

- \* 1 - Incoterms 2010 do not deal w/ the parties obligations for stowage within a container and therefore, where relevant, the parties should deal with this in the sales contract
- \* 2 - FCA Seller's Facility - Buyer pays the inland freight; other FCA qualifiers. Seller arranges the loads and pre-carriage carrier and pays inland freight to the "F" delivery place
- \* 3 - Incoterms 2010 does not obligate the buyer nor the seller to insure the goods, therefore this issue must be addressed elsewhere in the sales contract
- \* 4 - Charges paid by Buyer or Seller depending on the contract of carriage
- \* 5 - Charges paid by the Seller if through Bill of Lading or door-to-door rate to Buyers destination

**STANDARD SHIPMENTS:**

- \*Buyer Responsibilities: Provide complete contact information for final consignee (phone, email, contact name); specify final destination; dictate any special requirements.
- \*Seller Responsibilities: Provide US Census info (sched B #, licensing, value etc); provide packing list; provide commercial invoice.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

**DROP SHIPMENTS:**

- \*Clark Reliance - will be responsible for generating a commercial invoice to be used for US Customs export purposes and unless otherwise instructed the invoice will remain in the freight forwarders files.
- \*Buyer - responsible for generating commercial invoice for customs import purposes at final destination. This invoice needs to be sent directly to the ultimate consignee for customs clearance purposes.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES when authorized; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

Country Requirements: Specific country requirements are to be determined by buyer or freight forwarder.

\*\* No small package courier service permitted, must go through freight forwarder

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# CPT

CARRIAGE PAID TO  
(...named place of destination)



"Carriage Paid To" means that the seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between the parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination.

This rule has two critical points, because risk and costs are transferred at different places. The parties are well advised to identify as precisely as possible in the contract both the place of delivery, where the risk passes to the buyer, and the named place of destination to which the seller must contract for the carriage. If several carriers are used for the carriage to the agreed destination and the parties do not agree on a specific point of delivery, the default position is that risk passes when the goods have been delivered to the first carrier at a point entirely of the seller's choosing and over which the buyer has no control. Should the parties wish the risk to pass at a later stage (eg. at an ocean port or airport), they need to specify this in their contract of sale.

Incoterm Service	Export Packing	Marking & Labeling	Block and Brace	Export Clearance (License, EEI, AES)	Forwarder Documentation	Inland Freight to Main Carrier	Origin Terminal Charges	Vessel Loading Charges	Ocean Freight/Air Freight	Nominate Export Forwarder	Marine Insurance	Unload Main Carrier Charges	Destination Terminal Charges	Nominate On Carrier	Security Information Requirements	Customs Broker Clearance Fees	Duty, Customs Fees, Taxes	Delivery to Buyer Destination	Delivering Carrier Unloading
CPT	WHO PAYS	Seller	Seller	1	Seller	Seller	Seller	Seller	Seller	Seller	3	4	4	5	Buyer	Buyer	Buyer	5	Buyer

- \* 1 - Incoterms 2010 do not deal w/ the parties obligations for stowage within a container and therefore, where relevant, the parties should deal with this in the sales contract
- \* 2 - FCA Seller's Facility - Buyer pays the inland freight; other FCA qualifiers. Seller arranges the loads and pre-carriage carrier and pays inland freight to the "F" delivery place
- \* 3 - Incoterms 2010 does not obligate the buyer nor the seller to insure the goods, therefore this issue must be addressed elsewhere in the sales contract
- \* 4 - Charges paid by Buyer or Seller depending on the contract of carriage
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## STANDARD SHIPMENTS:

- \*Buyer Responsibilities: Provide complete contact information for final consignee (phone, email, contact name); specify final destination; dictate any special requirements.
- \*Seller Responsibilities: Provide US Census info (sched B #, licensing, value etc); provide packing list; provide commercial invoice.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

## DROP SHIPMENTS:

- \*Clark Reliance - will be responsible for generating a commercial invoice to be used for US Customs export purposes and unless otherwise instructed the invoice will remain in the freight forwarders files.
- \*Buyer - responsible for generating commercial invoice for customs import purposes at final destination. This invoice needs to be sent directly to the ultimate consignee for customs clearance purposes.
- \*Freight Forwarder Responsibilities: When required, generate certificate of origin according to information supplied by Clark Reliance; transmit AES when authorized; create transport documents (i.e. bill of lading); make sure legalization completed if necessary; arrange local pickup when necessary.

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# CIP

CARRIAGE AND INSURANCE PAID TO  
(...named place of destination)



"Carriage and Insurance Paid to" means that the seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between the parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination.

This rule has two critical points, because risk passes and costs are transferred at different places. The parties are well advised to identify as precisely as possible in the contract both the place of delivery, where the risk passes to the buyer, and the named place of destination to which the seller must contract for the carriage. If several carriers are used for the carriage to the agreed destination and the parties do not agree on a specific point of delivery, the default position is that risk passes when the goods have been delivered to the first carrier at a point entirely of the seller's choosing and over which the buyer has no control. Should the parties wish the risk to pass at a later stage (eg. at an ocean port or airport), they need to specify this in their contract of sale.

The seller also contracts for insurance cover against the buyer's risk of loss or damage to the goods during carriage. The buyer should note that under CIP the seller is required to obtain insurance only on minimum cover. Should the buyer wish to have more insurance protection, it will need either to agree as much expressly with the seller or to make its own extra insurance arrangements.

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CIP	WHO PAYS	Seller	Seller	1	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	4	4	5	Buyer	Buyer	Buyer	5	Buyer

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