

Friday, June 17, 2016

Würth Industry Service Vietnam/ SOLAS

Dear Supplier:

VENDOR COMPLIANCE WITH SOLAS REGULATIONS CERTIFICATION

I, _____, holding the position of _____ with _____, certify that I am aware of the new SOLAS (Safety of

Life at Sea) requirements that will take place on July 1st, 2016. This is a mandatory requirement of the International Maritime Organization (IMO) that will be regulated by the Coast Guards or other agencies responsible for SOLAS regulations in any given country. Specifically, I understand that, beginning on July 1st, 2016, all shipments must be accompanied by a Verified Gross Mass (VGM) document that indicates the weight of the cargo along with the tare weight of the container. I understand that there are two methods to determine this number, as follows:

- Method 1: Take a loaded container over a weighbridge*, subtract the weight of the truck, chassis, and fuel to get the weight of the packed container.
- Method 2: Weigh each item – including its packaging, palleting, dunnage and other packing and securing materials – going into the box. Add that sum to the weight of the container to find the weight of the packed container*.
- *Scales must be certified and calibrated in line with the national standards of the country where the weighing occurred, and Method 2 is subject to national certification and approval.

I further understand that, in the event of noncompliance, there are currently all kinds of possibilities for what could happen to the box, including the terminals choosing to hold it there or send it back, but whatever happens, the ship will leave and the container will not.

For vendor-loaded containers, I understand that it is my company's responsibility to ensure that a VGM signed by an authorized company representative accompanies each shipment delivered to the port on and after July 1st, 2016. Furthermore, I understand that if my company fails to provide the necessary documentation and the container is subsequently not loaded on the ship, any monetary penalties (in the form of carrier penalties, port demurrage, costs to return the container to the factory, and/or late shipping fines from Ace) will be for the account of my company.

For less-than-container-load cargo being delivered to WINA's consolidator, I understand that is my responsibility to provide the consolidator with an accurate weight of the cargo. It is not the consolidator's responsibility to weigh the cargo. As with vendor-loaded containers, any costs or penalties to the freight that accrue from failure to provide this information will be for my company's account.

Please return this signed letter no later than 06/24/2016.

Thank you,

Würth Industry Service Vietnam Strategic Sourcing Team
Max Khanh, khanh.dinh@wuerth-industry.vn