

Export Standard Operating Procedures

BDG International, Inc.

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Hour of Operation

Monday – Friday 8:00 – 5:00 PM Weekends and Evening available for Express Shipments.

Quote Requests

Information required for Air & Ocean shipments:

1. Commodity Description

2. Origin/Destination

3. Shipment Size: - Pieces, Weight & Dimensions (L x W x H)

4. Freight Charges: - Prepaid or Collect

5. Method of payment: - Letter of Credit, Sight Draft, or Open Acct.

6. Terms Of Payment - Incoterm, ie: CIP, CPT, DAP, EXW

7. Insurance Required: - Value of Product

8. Service Required: - Air - Express, Standard, or Deferred.

Ocean - LCL or FCL

9. Type of Quote: - Actual shipment

Quote to customer

10. Approximate shipping date

Quotation Response Times

Standard Quote Response Times:

Air Export:

CIP Air Freight Quotations 3 Hours DDU or DDP Air Freight Quotations 3-24 Hours

Ocean

CIF LCL Quotations 4 Hours
CIF FCL Quotations 4 - 48 Hours
DAP and DDP Ocean Quotations 24-48 Hours

Import

Import Air and Ocean 4-48 hours

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Quotation Validity:

Ocean:

"Estimates are subject to carrier price changes at any time. Estimates expire after 30 days. GRI\'s or Surcharges may be imposed by the carriers without notice. Shippers are responsible for properly loading, blocking, bracing. Maximum loads permitted are subject to local / state laws and carrier limits. A load in excess of these limits in total or per axle may be rejected and subject to additional charges or fines."

Air Freight:

Estimate expires after 30 days. All rates subject to change without notice. Shipment subject to Equipment and space availability. Fuel, Security rates, Currency rate, custom exam fees, THC and Duties at the time of booking will apply. Shipper responsible for loading, blocking, bracing, weight limits. Additional courier/messenger fees may apply.

Alternative methods to sending quotes to BDG.

- 1. Excel Quote Form
- 2. Web based request form.

How to book a shipment and prepare documents for BDG International.

Pickup Notification

Air Export - 4 Hour Notification Window Ocean Export -

LCL – 4 Hour Notification window for Pickup

FCL - 1 Week Notification to arrange load date.

Information required for Shipment Booking.

- 1) Proposal Number (if any)
 - a) Please list any information that varies from the proposal given
 - (1) (Pcs / Weight / Dimensions) or Ocean Container size (Specify OD if Open Tops) and number of containers
 - (2) Pick up Address
 - (3) Destination (Port or Door Address) depending on Incoterm
- 2) Your reference / consignee reference number
- 3) Pick up date / Loading Time.

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- 4) Pick up Open and Close times
- 5) Service Required:
 - i) Air : Requested Arrival Date BDG offers 3 service levels to meet your needs: Express, Standard, Deferred
 - ii) Ocean: Requested Arrival Date
- 6) Ocean ONLY: BDG will prepare an Inland B/L with all sailing details and pickup address.
 - i) FCL Shipments Return the inland B/L back to BDG with the Seal Number & Container number Total Pcs and Gross Weight.
 - ii) LCL Shipments This inland form does not need to be E-Mailed back.
- 7) Commodity
 - i) Air Freight Hazardous Information must be provided at the time booking.
 - ii) Ocean Freight-Hazardous Declaration or MSDS MUST BE PROVIDED PRIOR TO CARGO PICK UP.
- 8) Terms of Sale: Prepaid or Collect. Incoterm being used. L/C, Sight Draft, Open Account

Booking Notification

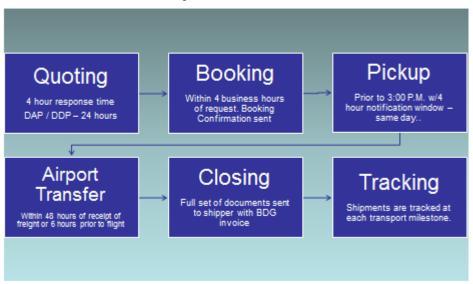
- 1. Air Freight and Sea Freight 4 Hour Notification
- 2. BDG requires a 4 business Hour booking window with the carrier. Note that most carriers hours are 09:00 to 17:30 M-F. Airline Warehouse operations are longer and do cover weekends.

Cargo Tracking

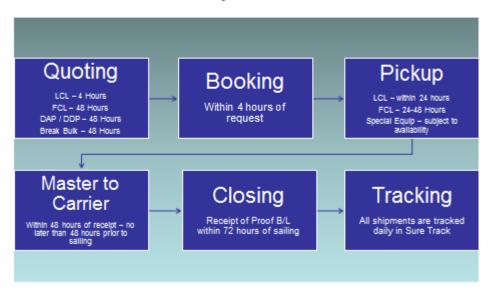
All shipments are tracked with the carrier. Shipments are updated automatically or manually depending on the carrier booked with and the delivery point. Door deliveries require POD confirmations with the delivery trucker. BDG's SureTrack system will provide up to date tracking details on your cargo.

- Air Export Changes in transit of one day or greater are updated and advised to exporter.
- Ocean Export changes in transit of 3 days or greater are updated and advised to the exporter.

Air Export File Flow



Ocean Export File Flow



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Air Freight Shipments Only

- 1) **Security Form** (Necessary for Unknown Shippers Only / Known Shippers do not need to provide the form.)
 - a) Known Shipper Freight can be moved via passenger or cargo aircraft. Passenger aircraft typically have a lower price per kilo.
 - b) Unknown Shipper Freight will be moved as deferred and as per TSA requirements.
- 2) All documents listed 1-6 below should be placed in a pouch and attached to the freight.

Air and Ocean Shipments

- 1. Commercial Invoice
 - a. -Information should include: Contact person, Phone/E-Mail
- 2. Packing List
 - a. -Information should include: Contact person, Phone/E-Mail, List box numbers with contents in each box.
- 3. Shipper's Letter of Instruction or Shipper Transmittal Letter
- 4. Financial Documents: Draft or Letter of Credit (if issued)
- 5. **Pre-Shipment Inspection Certificate** (e.g. SGS) Your customer will normally notify you of these requirements.
- 6. Country Specific Documents: Certificate of Origin, Legalized Documents
- 7. Client Specific Documents: Insurance Certificate
- 8. Commodity Specific Documents
 - a. Hazardous Declaration Provide a Copy to the Pickup Driver along with the Truck Pro
 - b. Health Certificates
 - c. Quality Certificates
- 9. Truck B/L

Web based Forms

Trade Shows

- 1. **BDG Trade Show Information Sheet** (only used if cargo is destined for a trade show)
- 1. Trade Show Packet (provided by the trade show)

Labeling & Marking Recommendations

- 1. Consignee Name, address
- 2. Contact person
- 3. Phone Number/E-Mail
- 4. Consignee Reference Number, L/C Number, or other number.
- 5. Country of Origin (USA)
- 6. Piece#/Total box count, ie: 1/10, 2/10, 3/10 ...
- 7. Box Weight
- 8. Handling Instructions

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- 9. Markings should be clearly visible.
- 10. Labels should be attached using self adhesive backing with additional tape or stapling used to secure the label to the box or crate. Stenciling is also a highly recommended procedure.

Where are the export documents sent?

All export documents should be sent to our office via E-Mail, E-mail, Messenger or Mail. Our preferred method of communication is via e-mail. We recommend a messenger service be used for original documents are required, such as L/C's Certificate of Origin, or Health Certifications.

Documents that are sent with the shipment should be attached to the freight in an envelope marked "Export Documents". The truck B/L should mention, "Export Documents must move with the freight". DO NOT GIVE THE DOCUMENTS TO THE DRIVER.

When should export documents be sent to our office?

Export Documents are due at our office on or before the day of cargo pickup at your facility.

How to consign the Inland Truck B/L

Ocean Freight:

BDG will provide a "ship to" address on the Inland Freight B/L prepared by BDG and sent to you via E-Mail.

Air Freight:

BDG will provide a "ship to" address when your pickup is called in. The warehouse may vary depending on destination.

Governmental Regulations

Exporters are exposed to a variety of regulations imposed by the U. S. Government and the importing country.

Export Administration Act - Export Licensing

- 1. Restrict foreign access to goods or technology relating to our national defense.
- 2. Enforce sanctions on terrorist nations.
- 3. Protect against the export of scarce goods.
- 4. Provide for the collection of export trade data through the use of the Electronic Export Information. Filed using AES (Automated Export System). Must be filed prior to export.

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Anti-boycott Law

To avoid having U.S. Companies participate in boycotts

Anti- diversion Law

The exporter must note on its shipping documents that the goods have been licensed only for export to the named destination. Indicated by the Destination Control Statement.

Antitrust Laws - e.g.: Price Fixing, conspiracies, market division by competitors

Foreign Corrupt Practices Act

Prohibits U.S. companies from offering or paying anything of value to a foreign official for the purpose of obtaining or retaining business. The act also imposes strict record-keeping and accounting standards on public corporations and their subsidiaries.

Product specific laws

Specific products are covered here, most notably: The Arms Control Act, US Food and Drug Administration, and the Environmental Protection Agency.

Foreign Government Regulations - Depends on the country

Types of Insurance

All Risk – This insurance insures for Loss, Damage, Theft, and Acts of God. The loss can be in total or in part. It does not insure if the cargo were improperly packed, proof of loss during transportation can not be proved, infestation and rust.

General Average – Occasionally a cargo vessel will encounter a potentially serious accident on the sea, such as a fire or encountering severe heavy weather, which may result in the ship having to incur additional costs to save the entire journey (such as towing costs, emergency repairs costs). Because the vessel has had to pay these costs in order to save the cargo and the journey, both the ship and all cargo owners share in the payment of these costs. If you or your customers are advised that a General Average has been declared, it will be necessary to either have a General Average Guarantee signed by your underwriters or pay a cash deposit, to ensure the release of the cargo.

BDG recommends that your claims be filed as soon as it is known that there is damage. Upon arrival the consignee should inspect cargo, if damage has occurred it should immediately be notated on the delivery document. BDG should be notified as soon as possible. If BDG has arranged for insurance we will notify the underwriter and a survey of the damaged will be arranged.

CARRIER LIABILITY

Air Carriers - \$9.07/LBS

Ocean Carriers - \$500.00/Containerized Shipping Unit

("STC" or "SLAC" Important in determining "CSU")

Domestic Truck Carriers - .50/LBS

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- 1) Speed: To increase the chance for claims to be settled quickly and for the full amount follow the list of steps below as quickly as possible.
- 2) Visually inspect the exterior of the ocean container or shipping carton for visible damage. Note the damage on the delivery receipt.
- 3) Visually inspect the interior of the container or shipping carton for damage. Note the damage on the delivery receipt.
- 4) Visually inspect the product for damage. Note the damage on the delivery receipt
- 5) Photograph all damage as found.
- 6) Do not use or alter the damaged cargo in any way. Leave the cargo in it's original packing as best as possible.
- 7) BDG provides a list of Survey agents with all shipments when insurance has been purchased though BDG. Contact the nearest survey agent immediately to inspect the cargo and verify the damage occurred in transit.
- 8) Immediately contact BDG International and present a formal claim. The claim should mention the estimated loss.
- 9) Non-Delivery:

 Consignee must notify the shipper and carrier that the product did not arrive as scheduled.

Original Insurance Certificate (if issued) must be returned to BDG to present the claim to the underwriter.

Documents needed to present formal claim

File Number_____ Claim Number_____

Letters of Intent (PNCs) BDG will have this document if we have provided insurance.
E-Mailes/Letters from carriers confirming receipt of PNCs BDG will have this document if we have provided insurance.
P.O.D. (Sign-off) from involved carriers / dock receipt (English)
Copy of main transport document, (OBL or Awb) BDG will have this document if we have provided insurance.
Copy of all related inland bills of lading BDG will have this document if we have provided insurance.
Copy of commercial invoice BDG will have this document if we have provided insurance.
Copy of packing list BDG will have this document if we have provided insurance.
Proof of Insurance, (Original Cert. or stamped copy of transport document) BDG will have this document if we have provided insurance
Breakdown of amount claimed and calculations
Copy of inspection report
Copy of destruction report or salvage disposition (English)
Photographs
Survey report
Any related government documents
Exception reports from any involved carriers (English)

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Formal claim from customer
Repair estimate
Other:

BDG International, Inc. world headquarters IATA - CHB - FMC - CTPAT - NVOCC