

| | | | | | |
|---|---|--|--------------------------------------|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | Specific Owner: Alisa Crooks | | Page 1 of 8 | |

Corporate Policy:

It is Ingersoll Rand's policy to comply fully with the Customs laws, regulations and policies of all countries where it does business. Ingersoll Rand recognizes that the United States government and the government of other countries have laws, regulations and policies, which control the international movement (import and export) of goods, technology and data. Ingersoll Rand further recognizes the importance of compliance with these laws, regulations and policies. Failure to comply may result in severe penalties to Ingersoll Rand and / or individual employees, including monetary penalties, adverse publicity, loss of import / export privileges, delay or seizure of shipments, and in extreme cases, criminal penalties (fines and jail terms).

Purpose:

This Supplier Guide for U.S. Imports is in place to ensure efficient and timely delivery of cargo from international supply points to Ingersoll Rand locations within the United States.

These procedures cannot be interpreted as a substitute for compliance with applicable U.S. Government regulations. Failure to comply with these requirements could result in unexpected delays, unnecessary costs, fines/penalties, inspections and/or seizure of inbound shipments for non-regulatory compliance.

Scope:

This policy applies to all U.S. imports. The most current version of the Supplier Guide for U.S. Imports is located on: <http://company.ingersollrand.com/ircorp/en/discover-us/doing-business-with-us/for-ingersoll-rand-suppliers.html>

Definitions:

| | |
|---------------------------|---|
| Anti-dumping duty | Selling below home market prices or cost of manufacture with material injury to an U.S. manufacturer is called dumping. Antidumping duties are levied upon further importation of the merchandise. |
| AWB/BOL | Airway bill or Bill of Lading are negotiable instruments that allow the carrier to transport a merchandise shipment from a shipper to a consignee. |
| CBP | U.S. Customs and Border Protection is a federal law enforcement agency of the United States Department of Homeland Security charged with regulating and facilitating international trade, collecting import duties, and enforcing U.S. regulations, including trade, drug and immigration laws. http://www.cbp.gov/ |
| Commercial Invoice | Invoice used for shipping purposes. Commercial invoice must be in English and value in USD. |
| Country of Origin | The country where the goods were originally produced or manufactured. The country of origin is NOT necessarily the country from which the goods were shipped. |
| EPA | Environment Protection Agency is an independent U.S. government agency that sets and enforces rules and standards that protect the environment and control pollution. http://www.epa.gov/oppt/import-export/ |

| | | | | | |
|---|---|------------------------------|--|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | | Specific Owner: Alisa Crooks | Page 2 of 8 | |

| | |
|---------------------|--|
| FCC | Federal Communication Commission is an independent U.S. government regulatory agency overseeing all international communications. The FCC acts to maintain the standards and consistency among the ever-growing types of media and methods of distribution, while protecting the interest of both consumers and businesses. https://www.fcc.gov/ |
| FDA | Food and Drug Administration is a regulatory agency of the U.S. Department of Health and Human Services, responsible for protecting and promoting public health. http://www.fda.gov/ |
| HTS | Harmonized Tariff Schedule is a 10-digit alphanumeric code assigned to all commodities entering the United States. The HTS coding system was established by the World Customs Organization (WCO). |
| Incoterms | International Commercial Terms that identify the trade contract responsibilities and liabilities between buyer and seller. |
| IOR | Importer of Record is the owner or purchaser of the goods who is liable for the payment of duties, or an authorized agent acting on the importer's behalf. |
| ISF | Importer Security Filing or 10+2. This is a pre-alert to U.S. Customs that identifies specific data elements prior to loading at the foreign port for all ocean shipments. |
| Packing List | Provides a detail of each item contained within the shipment, the piece count and in which package each item is contained. Also identifies the number of packages with the gross and net weight of each. |
| PGA | Partnering Government Agency |
| WPM | Wood Packing Materials |

Shipping Advice:

Ingersoll Rand will generally act as Importer of Record into the US, with the exception of DDP (Delivered Duty Paid) incoterms. A foreign supplier's commercial or customs (proforma) invoice is to be issued for each conveyance detailing the merchandise included in the specific shipment. If possible, documentation should be in Microsoft OFFICE (e.g. EXCEL or Word) format, not Adobe PDF files. In order to meet U.S. Customs' stringent invoicing requirements and avoiding delays in transit, it is imperative that suppliers prepare complete and accurate documentation regarding the actual cargo being shipped. These documents are also part of our recordkeeping responsibilities and may be reviewed by U.S. Customs in an audit.

The **notify party** on invoices, bill of ladings and arrival notices should include the appropriate broker as specified below and email all **ARRIVAL NOTICES, PRE-ALERTS** and **SHIPMENT DOCUMENTATION** as follows:



PROCEDURE – Supplier Guide for U.S. Imports

| | | | | | |
|--|--|------------------------------|--------------------------------------|-------------|----------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | | Specific Owner: Alisa Crooks | Page 3 of 8 | |

NON-U.S. Suppliers (other than Canada/Mexico)

Expeditors International Customs Brokers
Attn: U.S. Imports Desk
Email: itsimports-clt@expeditors.com (Ingersoll Rand and Club Car)
Email: cimports-clt@expeditors.com (Trane and Thermo King)
Telephone: 704-329-0303

Canadian Suppliers

Expeditors International Customs Brokers
Attn: U.S. Imports Desk
Email: preadvance-buf@expeditors.com
Email: arrivalnotification@expeditors.com
Telephone: 734-942-5870

Mexican Suppliers – Laredo, TX crossing

Expeditors International Customs Brokers
Attn: U.S. Imports Desk
Email: Electronicslrd@expeditors.com
Telephone: 956-712-1613

Mexican Suppliers – El Paso, TX crossing

Expeditors International Customs Brokers
Attn: U.S. Imports Desk
Email: susan.powell@expeditors.com
Telephone: 915-856-4312

Courier Shipments:

UPS small parcel/package shipments

UPS Small Parcel Services Customs Brokers
Attn: U.S.A. Imports Desk
Email: upsusingersollrand@ups.com
Telephone: 502-485-2623

| | | | | | |
|---|---|---|---------------------------------------|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | Specific Owner: Alisa Crooks | | Page 4 of 8 | |

Documentation Requirements:

The commercial (proforma) invoice must be in **ENGLISH** and contain the following information. If possible, documentation should be in **Microsoft OFFICE (e.g. EXCEL or Word) format**, not Adobe PDF files.

- Full name and address of the SELLER of the goods
- Full name and address of the BUYER of the goods
- Full name and address of the SHIPPER of the goods
- Full name and address of the SUPPLIER of the goods
- Full name and address of the MANUFACTURER of the goods (requirement as of November 2015)
- Full name and address of the SHIP TO/CONSIGNEE of the goods
- Supplier invoice number and date
- Ingersoll Rand's purchase order number
- Invoice reference numbers
- **Ingersoll Rand part number** (can include supplier part number as well, but IR's is mandatory)
- ISO country of origin for each line item
 - "EU" is NOT a valid country code, the specific European Union country must be provided
 - <http://www.cbp.gov/document/guidance/appendix-c-iso-country-codes>
- Description for each line item
- Quantity at line item level
 - Number of pieces of each line item
 - Total number of pieces at the lowest level – number of boxes/cartons, not number of pallets
 - Total net kilograms
 - Total gross kilograms
- Unit of measure for each item
- Valuation and currency
 - Unit price and currency for each line item
 - Packing costs (if excluded from unit price)
 - Prepaid transportation costs
 - Any discounts, selling commissions, royalties, licensing fees, etc.
 - Materials, equipment, or services provided by the buyer or on behalf of the buyer used to manufacture the product not otherwise included in the unit price (i.e. Assists)
 - Total invoice amount with currency (total amount must be sum of line items)

| | | | | | |
|---|---|--|--------------------------------------|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | Specific Owner: Alisa Crooks | | Page 5 of 8 | |

Note: if shipment is made free of charge (example: samples) a true representation of value is still required with the additional note “value for customs purposes only” and the invoice should include the reason why delivery is being made free of charge

- Payment terms
- Incoterm / Shipping term should accurately describe the seller’s and buyer’s obligations and the point where the responsibility for transportation costs and associated risk transfer from seller to buyer
 - Incoterms are internationally agreed standards for facilitating international trade. They define the transportation obligations, costs and risks. Detailed information can be found at <http://www.iccwbo.org/products-and-services/trade-facilitation/incoterms-2010/>
- Transportation details
 - Vessel / carrier name
 - ETD (estimated time of departure) port of departure
 - ETA (estimated time of arrival) port of arrival
 - Container number (s) or airway bill / master airway bill or bill of lading

Product Marking:

All products or their individual packaging must be marked in English with ISO country of origin, the country where the good was manufactured and/or assembled. The country of shipment is not necessarily the country of origin. Origin marking must be in English, and be clear, conspicuous, legible and permanent to indicate to the ultimate purchaser in the United States the English name of the country of origin of the merchandise.

Assists:

U.S. Customs requires any assists to be reported at the time of import filing and can be added to one shipment or a number of shipments for a specific period of time. The foreign supplier must first identify any item that was provided free of charge or below market value for use in the production of product for Ingersoll Rand. Assists can include: machinery or parts, molds, raw materials

Product Information Requests and Records:

Upon request, our valued Suppliers will provide Ingersoll Rand with all information and records relating to the purchased products that may be necessary for Ingersoll Rand to (a) fulfill any Customs obligations, origin marking or labeling requirements, (b) claim preferential duty treatment under applicable trade preference regimes, and (c) participate in any duty deferral or free trade zone programs of the country of import.

Ingersoll Rand is legally required to maintain certain documentation and specific data related to products imported into the United States. This documentation may help substantiate key compliance elements such as the harmonized tariff classification and country of origin of the imported products. In order to maintain the data, Ingersoll Rand may send suppliers solicitation requests on a regular basis. These requests may include but are not limited to any of the following: NAFTA, CAFTA, GSP, Chile/Korea/Australia/Colombia-U.S. Free Trade Agreements Certificate of Origin or Manufacturer’s Affidavit/Declaration or Certificate of Origin requests.

| | | | | | |
|---|---|--|--------------------------------------|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | Specific Owner: Alisa Crooks | | Page 6 of 8 | |

Export Packaging Requirements:

All wooden packaging materials (WPM) must be ISPM15 compliant. All WPM must be properly marked to indicate either heat treatment or methyl bromide treated and marked with the IPPC certification. Wood packing material is defined as wood or wood products (excluding paper products, such as corrugated paper cartons) used in supporting, protecting or carrying a commodity (includes tonnage). Wooden packing materials include: Pallets, crates, boxes, packing blocks, drums, cases, skids and pieces of wood used to support or brace cargo.

U.S. Customs and Border Protection requires all containers transiting via ocean vessel are sealed using ISO/PAS 17712 standards. For more information on CBP's requirements: www.customs.gov

Ingersoll Rand's packing guideline: <http://company.ingersollrand.com/ircorp/en/discover-us/doing-business-with-us/for-ingersoll-rand-suppliers/packaging-guidelines.html>

Partnering Government Agencies (PGA)

FCC – Federal Communication Commission's Radio Frequency Declaration - All electronic devices such as monitors, cameras, computers, phones, recording devices, etc. must have a completed FCC form 740 included with the shipment documentation. See link for form: <https://transition.fcc.gov/Forms/Form740/740.pdf>

FDA – Review the Food & Drug Administration regulations to complete necessary requirements for US importation. For imported electronic products subject to radiation control standards, completed the attached form.



FDA for Radiation Control Standards

EPA – The Environmental Protection Agency requires a Toxic Substance Control Act form to be complete with each import of most chemical goods, water samples, and products that fall under the jurisdiction of the EPA. The EPA also requires an Engine Declaration Form be complete for all imports of engines, vehicles and equipment subject to Federal Air Pollution regulations.



EPA Engine Air Pollution Form



SUPPLIER TSCA Statement.doc

DOT – The Department of Transportation requires a Declaration of Motor Vehicles form to be complete with each import of motor vehicles and equipment for motor vehicles.



DOT Motor Vehicles and Equipment form

| | | | | | |
|---|---|--|--------------------------------------|--------------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | Specific Owner: Alisa Crooks | | Page 7 of 8 | |

Antidumping Requirements

Some commodities imported into the U.S. carry duties assessed in addition to the standard tariff rate of duty, called Anti-Dumping or Countervailing Duties. Antidumping duty and countervailing duty orders are related to specific commodities from specific countries. Currently, Ingersoll Rand imports subject to antidumping include:

ALUMINIUM EXTRUSIONS from **CHINA**
SEAMLESS REFINED COPPER PIPE and TUBING from **CHINA** or **MEXICO**
TAPERED ROLLER BEARINGS from **CHINA** or **MEXICO**
SOLAR PANELS from **CHINA**

If the commodity being imported into the U.S. contains any of these products, COMPLETE THE ATTACHED FORMS.



BEARING
Worksheet.doc



Seamless Copper
Tubing Worksheet.do



Aluminum Extrusion
Worksheet .docx

Importer Security Filing (ISF) Requirements

****Required for ALL OCEAN shipments to the U.S. and Puerto Rico****

U.S. Customs has implemented additional security requirements (10+2 or the Importer Security filing (ISF)) requiring shippers report 10 data elements for authorization prior to loading goods on a vessel bound for the United States/Puerto Rico. These regulations became effective January 26, 2009 and failure to comply will lead to penalties of \$5,000 USD per occurrence and up to \$10,000 USD per shipment.

Suppliers must provide Ingersoll Rand's appointed customs broker, Expeditors International, with a copy of



ISF Form.xls

documentation and complete the ISF form.

The ISF form must be emailed to Expeditors **no less than 72 hours before cargo is loaded onto an ocean vessel.**

Email address: clt-isf@expeditors.com

Contact Information:

Ingersoll Rand U.S. Import Compliance Team
lrimportcompliance@irco.com



PROCEDURE – Supplier Guide for U.S. Imports

| | | | | | |
|--|--|------------------------------|--|-------------|-----------------|
| Document Sector: | IR Corporate | Region: United States | Document # IMP-USA-ENT-121 | Rev: | Original |
| Owner: Corporate Trade Compliance Department | Trade Compliance Functional Area: IMPORT | | Specific Owner: Alisa Crooks | Page 8 of 8 | |

Revision History:

| Revision | Date | Description of Change | Modified By |
|----------|----------|--|--------------|
| Original | 6/5/2015 | <ul style="list-style-type: none">Original document released | Alisa Crooks |
| | | | |
| | | | |