



## **SUPPLIER ADDENDUM FOR U.S. SHIPMENTS**

This Addendum (the "Addendum") is entered into between Pirelli Tire LLC ("Pirelli") and the entity listed below or on the purchase order ("Supplier") as of the date in which it is received by Pirelli or the date on which Supplier first ships goods to Pirelli, whichever is sooner.

All applicable terms and conditions regarding the purchase and sale of goods between the parties shall remain in effect. As consideration for Pirelli purchasing or considering whether to purchase goods from Supplier that are to be imported into or used in the United States, the parties hereto agreed as follows:

1. **LANGUAGE.** All documents sent to Pirelli must be written in English or accompanied by an English translation.

2. **PURCHASE ORDER.**

2.1 The term Purchase Order refers to the document sent by Pirelli to Supplier which requests for goods to be ordered. A Purchase Order (or "P.O.") contains the P.O. No., the Vendor No., Delivery destination, Payment Terms, Currency and the description, notes, quantity and price of the goods requested.

2.2 Supplier acknowledges that the Purchase Order must be confirmed within forty-eight (48) hours of receipt from Pirelli and such confirmation must include (1) the delivery date, [2] quantity and (3) pricing.

2.3 If Pirelli does not receive confirmation in accordance with the previous requirements, the order request is hereby revoked. If Supplier attempts to ship goods or materials in accordance with the revoked Purchase Order, such will be deemed an offer, which Pirelli may in its sole discretion either accept or reject when such shipment is received. All costs associated with a rejection shall be borne completely by Supplier.

3. **Importers Security File (ISF) (For Ocean Shipments only)**

1) All ocean shipments must have an ISF Information form, commercial invoice and packing slip provided to Pirelli's Broker, Bruzzone Shipping, at least seventy-two (72) hours before loading the vessel with a copy to [imports.us@pirelli.com](mailto:imports.us@pirelli.com). Supplier should ensure to receive confirmation of receipt of the ISF form from Bruzzone shipping.

The ISF Information form is attached hereto as EXHIBIT A.

3.2 Supplier acknowledges that no ocean shipment will be accepted by Pirelli's Broker without the complete and accurate ISF Information form provided to them at least 72 hours in advance of loading. The ISF Filing data packet must include the following:

- ISF Information form
- Commercial invoice
- Packing slip.

3.3 The Supplier MUST provide a copy of the ISF information documents before attempting to book or load the vessel.

3.4 Supplier acknowledges that there are severe penalties for non-compliance with the ISF Filing requirements and that as a result, Supplier hereby agrees to pay all penalties, fines and other costs suffered by Pirelli (including reasonable attorney's fees and costs) as a result of Supplier's failure to provide a complete, accurate and timely ISF Filing information. Such costs will be immediately due and payable and Pirelli may offset such amounts from any amount previously, currently or in the future due and payable by Pirelli to Supplier.

#### **4. SHIPPING DOCUMENTS REQUIRED**

4.1 All shipping documents must be emailed at the time of shipment to:

- 1) For Raw Materials or Supply-Chain Materials
  - [phillip.wood@pirelli.com](mailto:phillip.wood@pirelli.com)  
if the goods do not contain raw materials or supply-chain materials, then they can be sent TO:
  - [Bettina.langham@pirelli.com](mailto:Bettina.langham@pirelli.com)
- 2) **WITH COPIES TO** (both Pirelli emails and the correct Bruzzzone emails listed below):
  - [imports.us@pirelli.com](mailto:imports.us@pirelli.com)
  - [ptna.invoices@pirelli.com](mailto:ptna.invoices@pirelli.com)

##### **Freight Coordination and Pickup:**

Husnuye Guvezne [husnuye@bruzzzone.com](mailto:husnuye@bruzzzone.com)  
Maryann Johnson [m.johnson@bruzzzone.com](mailto:m.johnson@bruzzzone.com)

##### **Raw Material Import Clearance:**

Marissa Krandell [marissa@bruzzzone.com](mailto:marissa@bruzzzone.com)  
Tenya Vincent [t.vincent@bruzzzone.com](mailto:t.vincent@bruzzzone.com)

##### **Spare Parts Import Clearance:**

Elda Gasbarra [e.gasbarra@bruzzzone.com](mailto:e.gasbarra@bruzzzone.com)  
James Chen [j.chen@bruzzzone.com](mailto:j.chen@bruzzzone.com)  
Clara Chu [c.chu@bruzzzone.com](mailto:c.chu@bruzzzone.com)

#### 4.2 Shipments to Pirelli must include:

1. Commercial Invoice)
2. Packing Slip/List
3. Bill of Lading /
4. Express Way Bill (NOT an original), as applicable(\*NOT REQUIRED FOR SMALL PACKAGES AS DEFINED IN SECTION 9 )
5. Certificate of Analysis (COA). A copy of the COA must also be emailed to [ptna.coa@pirelli.com](mailto:ptna.coa@pirelli.com) with Pirelli's PO number in the subject or body of the email.
6. If the material is hazardous, the Hazard Declaration, MSDS and U.S. 24 hour emergency contact must be included. These are required for transportation in the United States.

#### 4.3 Commercial Invoice

- 1) The Commercial Invoice must be in English or be accompanied by a translation into English. The Commercial Invoice and its attached documents must include the following:
  1. Date of invoice issuance (creation).
  2. Name and address of Supplier. For wearing apparel and other textiles, the commercial invoice must state the name and address of the manufacturer of each product.
  3. "Bill To" and "Ship To" information.
  4. The Incoterms must be listed along with the port or airport of destination in the U.S.
  5. The Country of Origin of the goods must be accurate and correct and must be listed by line item if there is more than one country of origin for products covered by the invoice. In addition, if US Customs, or any other governmental agency, request documentation to substantiate the country of origin, Supplier will provide complete documentation within seven (7) days of receiving notice of the demand. Supplier further agrees to comply with the Country of Origin Verification instructions and requirements are attached hereto as EXHIBIT B).
  6. A detailed description of the goods, including the commercial name in the country of export. The description should also include the individual part number, with quantities, weights and measurements with sufficient detail for U.S. Customs to determine the HTS classification and amount of duty payable. In addition, it should include any special grade, quality, marks or symbols used to identify the goods in the country of export. PLEASE NOTE THAT THE PACKING LIST/SLIP AND THE INVOICE MUST BE IDENTICAL IN TERMS OF THE DETAILED DESCRIPTION OF THE GOODS. ***For product other than apparel***, the description should include: description of part that includes materials composed of (steel, aluminum, plastic, etc) and size of part (such as length and width). For apparel products, the invoice description should include the style number designation, gender and size range, the shell content(either the complete fiber content and whether the fabric is knit or woven for textile apparel or the non-textile shell material (e.g., leather), the product name, and the component fiber or other material used in the linings.

**For Footwear**, in addition to Commercial invoice, INTERIM FOOTWEAR INVOICE must be filled out for every style of the footwear supplied and must accompany the shipment. The INTERIM FOOTWEAR INVOICE is attached hereto as EXHIBIT E.

7. Pirelli part number as listed on the Purchase Order.
8. HTS classifications (Harmonized Tariff Schedule).
9. The marks (as required for specific types of packaging) and the number of the packages in which the merchandise is packed.
10. The purchase price of each item including the identification of the currency used for payment of the purchase.
11. An itemized listing of charges, specifying:
  - i. Merchandise value
  - ii. Packing Costs (if not included in price of merchandise)
  - iii. Ocean freight costs for terms C&F or thereafter, listed separately
  - iv. Cargo insurance costs for terms CIF or thereafter, listed separately
12. Please note that the commercial invoice must include all items in the shipment, including items shipped at no charge. Items that are shipped at no charge must have the value of the goods on the invoice and a statement stating that such charges are "For Customs Purposes Only."

#### 4.4 **PACKING LIST SLIP**

- 1) Each shipment must contain a packing list that specifies:
  1. The total number of cartons, total weight, and total measure of the consignment.
  2. The weight, measure and contents of the individual cartons, including quantities of goods.
  3. The shipping marks displayed on the cartons.
  4. The packing slip must list each individual master carton identifying contents of the carton by Pirelli part number and the quantity the master carton contains.  
For wearing apparel, the packing slip should include the size breakdown as well as style number for articles in each carton.

5. **C-TPAT.** Pirelli participates in the Customs-Trade Partnership Against Terrorism (C-TPAT) program sponsored by U.S. Customs. The C-TPAT program provides participating U.S. importers with certain benefits in exchange for voluntarily strengthening the security of their global supply chain  
([http://www.cbp.gov/xp/cgov/import/commercial\\_enforcement/ctpat/onlinectpat\\_app\\_process/app\\_nvocc.xml](http://www.cbp.gov/xp/cgov/import/commercial_enforcement/ctpat/onlinectpat_app_process/app_nvocc.xml))

5.1 Supplier agrees to meet the C-TPAT Security Guidelines and Requirements (attached hereto as Exhibit D) and maintain documentary evidence of such compliance

5.2 Supplier must provide a letter from a company official stating that they have read and understood the C-TPAT Security Guidelines and Requirements attached.

5.3 Supplier agrees to complete a security questionnaire provided by Pirelli as required, but at a minimum once per year.

5.4 Supplier acknowledges that Pirelli has the right, at any time, to verify, either directly or through third parties, Supplier's compliance with the obligations in this Section.

6. **TSCA Section 13 Import Certification Requirement for Import of Chemicals**

6.1 Supplier must report the US EPA TSCA Inventory (the "TSCA Inventory") status on the substance Safety Data Sheet (SDS) along with other US OSHA- Global Harmonized System (GHS) required information. Substances listed on the TSCA Inventory are considered "existing" chemicals in U.S. commerce, and substances not on the TSCA Inventory are considered "new" chemicals.

6.2 For substances that are "existing" chemical substances in U.S. commerce, Supplier must consult the TSCA Inventory to determine if there are restrictions on manufacture or use.

1) To download an Microsoft Access file of the Non-Confidential TSCA Inventory on the EPA Web site at:

<http://www.epa.gov/oppt/existingchemicals/pubs/tscainventory/howto.html>

2) If the Supplier of a chemical substance is unsure of the TSCA Inventory status of its chemical (e.g., cannot find that substance on one of the public sources of non-confidential TSCA Inventory data), the Supplier can obtain a written determination from the US EPA at [tsca-hotline@epa.gov](mailto:tsca-hotline@epa.gov)

6.3 It is the Supplier's responsibility to determine if its chemical is subject to TSCA Section 5 Premanufacture Notice (PMN) requirements and if necessary to comply with such requirements.

7. **CALIFORNIA SUPPLY CHAIN ACT.** Supplier hereby certifies that the materials incorporated into the product supplied to Pirelli comply with the laws regarding slavery and human trafficking in the country or countries in which they are doing business. Supplier acknowledges that Pirelli has the right, at any time, to verify, either directly or through third parties, Supplier's compliance with the obligations in this Section.

8. **CALIFORNIA PROPOSITION 65.** Supplier hereby certifies that it is familiar with requirements established under California Proposition 65 for sale of products in that state and that supplier has test information to confirm whether the materials incorporated into the product supplied to Pirelli comply with the chemical standards established by California and do not require warning labels, or, should any product contain any material that California has determined to be injurious in the quantity of that material present, the article contains the required warning label for consumers under California state regulation. Supplier will maintain the test documentation that supports the use or absence of California Proposition 65 warnings and shall provide a copy of such documentation to Pirelli prior to shipment. Pirelli has the right, at any time, to verify, either directly or through third parties, Supplier's compliance with the obligations in this Section.

## 9. SMALL PACKAGE SHIPMENTS SHIPPED FREIGHT COLLECT VIA FEDEX (For Small Package Air Shipments).

- 1) For small packages weighing less than 68 kg or 150 lbs., Supplier must take note of the following:
  - (a) Size Requirements: 68 kg or 150 pounds maximum size for FedEx shipment. Shipments weighing 68 kg (150 lbs) or less are eligible to ship freight collect utilizing FedEx as the carrier/broker. Weight of actual package must be determined by calculating dimensional weight (length X width X height divided by 6,000 for centimeters or 166 for inches) and comparing that to the actual weight. Whichever is greater (actual weight or dimensional weight) must be used and should not exceed the 68 kg (150 lb) maximum. In addition the total weight of all packages should not exceed 68 kg (150 lb).
  - (b) Supplier should ship utilizing FedEx shipping forms. Pirelli's FedEx account number can be provided upon request for "Third Party Billing" shipments. ALL SHIPMENTS SHOULD BE IDENTIFIED AS "INTERNATIONAL ECONOMY" *unless we specify* "INTERNATIONAL PRIORITY".
  - (c) Only FedEx should be utilized for package third party billing shipments to Pirelli Tire LLC. The use of other package carriers is not acceptable without prior approval of Pirelli Tire LLC. Such approval requests must be sent to Maria Wilson at [bettina.langham@pirelli.com](mailto:bettina.langham@pirelli.com) (Purchasing Manager, Raw Materials/Supply-Chain Materials), **with a copy to** [imports.us@pirelli.com](mailto:imports.us@pirelli.com) .

## 10. APPAREL AND CHILDREN'S PRODUCT

10.1 U.S. Consumer Product Safety Laws also affect several of our international suppliers as well as Pirelli Tire LLC. Product intended for children (age 12 and under) must meet lead content standards as well as phthalate standards. Lead content requires testing to ensure compliance. Tracking requirements (permanent labeling of children's products) became effective August 2009. Apparel Suppliers are also required to supply apparel that meets U.S. flammability standards and certification of meeting those standards must be submitted. The procedures for Consumer Safety are not supplied with this documentation, but will be provided to suppliers who export children's products or apparel.

10.2 Note – any apparel or children's products exported to the U.S. must meet consumer safety standards. If the Supplier chooses to ship apparel or children's products without a specific purchase order (sending a promotional item for example), the Supplier must be aware of these standards and contact Pirelli Tire LLC Logistics department before shipping.

## 11. SAMPLE SHIPMENTS TO PIRELLI TIRE LLC - FREIGHT COLLECT

**11.1 Basic Requirements: All shipments of samples must have documentation preapproved by Pirelli before shipment is affected.**

1) Typically samples are shipped to Pirelli Tire LLC utilizing FedEx as the carrier. Sample shipments may be included with larger shipments (less than container or container), however, the Sample Merchandise must be clearly identified on the Commercial Invoice. The Supplier must declare the unit value and extended value of the sample on the Commercial Invoice and state clearly on the Commercial Invoice **“Samples Only of No Commercial Value”**.

2) Garment samples must be “marked or defaced” such that it is readily apparent that the merchandise cannot be put up for retail sale. Care should be exercised if the sample/s will be used for photography or merchandising purposes, however, U.S. Law requires the Supplier to ensure that the sample cannot be put up for sale.

**11.2 Shipping Instructions:** If the sample merchandise is included with a “regular” Supplier shipment, the Supplier should follow the shipping instructions normally associated with the size of the shipment and terms of sale. Supplier may ship via FedEx instructions if the shipment does not exceed 68kg or 150lbs, otherwise shipper should contact assigned Forwarder to schedule pick up and subsequent shipping.

**12. Indemnification.** Supplier is responsible for compliance with this Addendum by its and its affiliates’ officers, directors, employees, consultants, sub-contractors or other personnel (“Representatives”). Supplier will indemnify and hold harmless Pirelli and its Representatives, from and against any loss, claim, fine, penalty, cost or expense (including legal costs and attorneys’ fees) incurred by Pirelli or its Representatives based upon or arising out of any breach of this Addendum by Supplier or any of its Representatives.

**13. Choice of Law.** The Addendum is governed by the laws of the state of Georgia, regardless of its conflict of laws provisions. Any disputes which may arise in relation to and/or as a result Deliverables and/or the Contract, its performance, efficacy, validity, interpretation, termination and cessation, as well as any relation referred to or connected with the Deliverables and/or the Contract and all related credits and debts, shall fall under the exclusive jurisdiction of the state and federal courts located in Georgia.

By signing below, I hereby represent that I am an Authorized Representative of the Supplier listed directly below with authority to bind such Supplier.

For Supplier:

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Name:

Supplier/Company:

Title:

Date:



## **EXHIBIT A**

### **IMPORTER SECURITY INFORMATION FORM**



ISF Input Sheet as  
of 6-15-15 (Exhibit A)

## **EXHIBIT B**

## ORIGIN VERIFICATION INFORMATION APPAREL & TEXTILE PRODUCTS

Should US Customs, or any other governmental agency, request documentation to substantiate the country of origin, Supplier will provide complete documentation within seven (7) days of receiving notice of the demand. For additional information on documentation that may be required to prove the country of origin, see CBP Textile Book Transmittal TBT-97-049. This documentation includes the below information.

1. **Supplier must provide a Production Timeline:** The timeline must show the dates of each phase of production, including issuance of the Pirelli Purchase Order, Supplier's receipt of raw materials, all cutting and sewing activity, Quality Control inspection, and ultimately export.
2. **Supplier must provide Raw Material Procurement Documents:** The documents should include Supplier's Purchase Order(s) for the raw material, warehouse receipts, shipping documents, Supplier's invoice, and proof of payment to supplier.
3. **Supplier must provide Work Records for Cutting:** The daily production work records related to cutting activities must be provided, including copies of time cards for employees participating in these activities, as well as proof of payment for labor containing the employee's signature.
4. **Supplier must provide Work Records for Sewing:** The daily production records related to sewing activities must be provided, including individual sewing tickets, copies of time cards for employees participating in these activities, as well as proof of payment for labor containing the employee's signature. A copy of the sewing steps will also be required.
5. **Supplier must provide all other applicable Work Records:** The daily production records related to any other work performed for the Pirelli Purchase Order must be provided, including Quality Control and Material Handling functions. These records must include copies of time cards for employees participating in these activities, as well as proof of payment for labor containing the employee's signature.
6. **Supplier must provide Export Documentation:** All documents related to the export of the merchandise must be provided, including any government approval or inspection papers and any documents related to transport to the port/airport of departure.
7. **Supplier must provide Subcontract Documentation:** If any portion of the work is subcontracted by Supplier, Supplier must ensure that the Subcontractor will maintain all documentation listed herein that is relevant to the portion of the work performed by the Subcontractor. For example, if any portion of the sewing work is subcontracted, the Subcontractor must be willing and able to provide all documents shown under Work Records for Sewing. In addition, Supplier must be able to provide, upon request, a copy of the Subcontract Agreement, proof of payment to Subcontractor, and documentation showing the transfer of goods and material to and from the Subcontractor.
8. **Supplier must provide list of machinery:** This list must identify production equipment available and used in production.

## EXHIBIT C

### ORIGIN VERIFICATION INFORMATION NON-TEXTILE PRODUCTS

1. **Supplier must provide a bill of material:** The bill of material must include a list of all raw materials and ingredient inputs.
2. **Supplier must provide a Production Timeline:** The timeline must show the dates of each phase of production, including issuance of the Pirelli Purchase Order, Supplier's receipt of raw materials, use of raw materials and ingredients in production, Quality Control inspection, and ultimately export.
3. **Supplier must provide Raw Material Procurement Documents:** The documents should include Supplier's Purchase Order(s) for the raw material, warehouse receipts, shipping documents, Supplier's invoice, and proof of payment to supplier.
4. **Supplier must provide all applicable Work Records:** The daily production records related to any other work performed for the Pirelli Purchase Order must be provided, including Quality Control and Material Handling functions. These records must include copies of time cards for employees participating in these activities, as well as proof of payment for labor containing the employee's signature.
5. **Supplier must provide list of machinery:** This list must identify machinery & equipment available and used in production.
6. **Supplier must provide Export Documentation:** All documents related to the export of the merchandise must be provided, including any government approval or inspection papers and any documents related to transport to the port/airport of departure.

## EXHIBIT D

### C-TPAT SECURITY REQUIREMENTS



10+2  
requirements.pdf



CTPAT letter.pdf



C-TPAT\_Best\_Practices  
Addendum.doc



ctpat\_best\_practices  
.zip



Minimum-Security  
Criteria for C-TPAT Fc

**EXHIBIT E**

**INTERNATIONAL FOOTWEAR ASSOCIATION  
FOOTWEAR RETAILERS OF AMERICA  
INTERIM FOOTWEAR INVOICE**



footwear\_form.pdf