



1000 Lowe's Blvd
 Mooresville, NC. 28117
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May 10, 2010

RE: Proprietary Brand "After Sales Customer Support (ASCS)" Replacement Part Shipment Protocol

Dear Lowe's Private Label Product Supplier:

Please be advised of the following changes to the shipment of replacement parts direct to MSG and/or Archway, Lowe's third party ASCS Providers:

Vendor Import Shipment Protocol (Vendor with US Presence)

- a. The LGS International Logistics Specialist confirms that the vendor has a US presence for incoterms DDP and will contact the vendor with the details regarding parts orders.
- b. The LGS International Logistics Specialist notifies vendor that if UPS is to be used as the forwarder, **Lowe's should be listed as a "3rd party notify"** (ensures UPS discounted rate is applied).
- c. All transportation charges are Pre-paid by vendor in accordance with Incoterms DDP / Deliver Duty Paid. This includes, but is not limited to:
 - i. Air and Ocean Freight Charges
 - ii. Carrier Surcharges
 - iii. Customs Clearance Fees
 - iv. Other Government Agency Clearance Fees
 - v. Airline or Carrier Terminal Handling Fees
 - vi. Airline or Carrier Security Fees
 - vii. ISF 10+2 Security Fee
 - viii. AMS Fees
 - ix. Duties and Taxes
 - x. Single Entry Bond Fees
 - xi. Delivery Fees
 - xii. Charges related to US Customs Intensive Exams
- d. The vendor would be listed as the consignee and as the Importer of Record (IOR / EIN) while the ASCS provider would be listed as the "Deliver To" entity. **Lowe's must be listed as the "3rd Party Notify."**
- e. Product vendor is responsible for dealing with all tasks involved in moving goods from the manufacturing plant to the consignee's door.
 - i. Product vendor would be the Importer of Record (IOR) and therefore be responsible for the ISF 10+2 filing.
 - ii. Shipments will be delivered directly to ASCS provider once cleared through customs.

We thank you in advance for your support of Lowe's ASCS initiative for private branded products. If you have any questions, please contact the Lowe's International Logistics Specialist at the LGSourcing offices.

Sincerely,

Michael G. Egal
Product Development and Global Sourcing
Lowe's Companies, Inc.