



PORSCHE

**Contractual terms and conditions on security in the supply chain, export control, delivery of goods from non-EU countries and on the proof of origin of Dr. Ing. h.c. F. Porsche Aktiengesellschaft**

Status: 03/2017

**Supplier's declarations**

Contractors or suppliers whose registered office and/or production facilities are located in the European Union are obliged to prove the preferential, non-preferential and AALA origin (American Automobile Labeling Act, No. 49 CFR Part 583) to Dr. Ing. h.c. F. Porsche AG and its subsidiaries for the entire range of goods to be supplied and to do so for one calendar year upon first delivery of the corresponding items at the latest and by means of a long-term supplier's declaration (LTSD)<sup>1</sup> on the specific Porsche LTSD form. Any changes made during the year must be communicated immediately in writing to Dr. Ing. h.c. F. Porsche AG. The declaration must be renewed annually by the contractor, without being requested to do so, with a validity period of one calendar year (1 January to 31 December). For goods as of a minimum value of EUR 50, a long-term supplier's declaration for goods not having preferential origin status must be issued in accordance with Annex 22-18 of Commission Implementing Regulation (EU) 2015/2447 in the respectively applicable version and must provide evidence of the non-preferential portion of the basic materials used to manufacture the goods. If the contractor does not fulfil the aforementioned obligations or does not fulfil them on time, Dr. Ing. h.c. F. Porsche AG reserves the right to withhold 30 percent of the invoice price until the long-term supplier's declaration has been issued. The costs for issuing the supplier's declaration shall be borne by the contractor or supplier.

**Deliveries from non-EU countries**

Deliveries must take place duty unpaid and untaxed, unless otherwise contractually agreed between the customer and the contractor. For road transport, the goods must be cleared through customs at the place of departure, but at the latest at the external border of the EU under the common transit procedure T1. It is mandatory for all goods to be delivered via the official goods receipt channels of Dr. Ing. h.c. F. Porsche AG.

If the EU grants an exemption from customs duties or a preferential duty rate based on a free trade or preferential agreement with the supplier country, the contractor/supplier is obliged to make the documents (*EUR.1/EUR MED/A.TR movement certificates, declaration of origin on the invoice, form A certificate of origin*) that are required to avail of the exemption from customs duties or the preferential duty rate available to the customer together with the goods shipment.

In the case of regular shipments, the contractor is obliged to issue preferential origin declarations on the invoice instead of EUR.1/EUR MED movement certificates.

**Export control**

The contractor is obliged to inform the customer about export restrictions and granted export licences that exist in the country of manufacture and/or in the country of consignment. The contractor is obliged to inform the customer about existing licensing requirements in accordance with US re(export) law (including so-called EAR99 goods). In addition, contractors must inform the customer about licensing requirements for dual-use goods and armaments that exist in accordance with the Community Law of the European Union as well as the national codifications of foreign trade legislation. The contractor shall communicate the relevant export list category to the cus-

tomor (e.g. German export list category; ECCN - Export Control Classification Number for US goods and other national codes) and shall indicate any simplified procedures that exist.

The information related to export control law that is required in accordance with this section must be clearly documented by the contractor on the relevant business documents (contracts of sale, invoices, delivery notes, dispatch notes) and must also be communicated electronically in advance to the central e-mail address of the Porsche customs department [customs@porsche.de](mailto:customs@porsche.de).

If the goods are US goods as defined by US law (manufacture, storage in the USA; production with the use of US technology and/or US parts), information on the proportion of installed US components for which a licence is required must also be passed on. The contractor must provide the customer with the complete documentation for the de minimis calculation. The measures and codifications mentioned above apply accordingly to technologies, software and services that relate to controlled goods. The contractor must provide the customer with all the documents required for a licence application and nominate a contact person who is responsible for queries.

The obligations continue to exist beyond the end of the business relationship.

**AEO**

The contractor undertakes in respect of goods that are produced, stored, transported or delivered for the customer or accepted by the customer, to produce, store, handle, process and load these at secure premises and at secure transfer points, as well as to protect them from unauthorized access during the production, storage, handling, processing, loading and transportation. The staff employed for the production, storage, handling, processing, loading, transportation and transfer of such goods must be reliable. Business partners that act on behalf of the contractor must be instructed that they too must undertake measures to secure the supply chain mentioned above. The security declaration specified by Dr. Ing. h.c. F. Porsche AG must be submitted upon request or the AEO certificate number must be provided upon request.

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Contact for queries: [customs@porsche.de](mailto:customs@porsche.de)

<sup>1</sup> Long-term supplier's declaration (LTSD) in accordance with the respectively applicable EU regulation (currently: Regulation (EU) 2015/2447) or in accordance with DECISION No.

1/2006 of the Customs Cooperation Committee (Turkey) in the respectively applicable version