

LOG - LC and REC Supplier Guidelines ("Guidelines")

- Your company (**Supplier**) and Alza (**Customer**) made and entered into a Master Supply Agreement ("**Master Agreement**"), which Master Agreement includes the General Terms of Business ("**Terms**") incorporated therein by reference and available at <https://www.alza.cz/vop-pro-dodavatele>, or, as the case may be, have entered into another supply agreement.
- Clause 4 of the Terms stipulates that the Master Agreement includes also the present Guidelines incorporated therein by reference, which Guidelines lay out the technical requirements for the delivery of the Goods to Alza's warehouse facilities. Alternatively, you have agreed to comply with these Guidelines when reserving an unloading slot.
- **What do the Guidelines include?**
 - instructions and requirements that Alza's suppliers need to follow so that the Goods can be delivered to Alza's warehouse facilities properly and then distributed to Alza's end users; and
 - delivery locations (including contact details and addresses).
- **Are the Guidelines mandatory?**
 - Yes, they are. You have agreed to follow instructions for delivering the Goods as set out in the Guidelines either in the Master Agreement or when reserving an unloading time slot. If you fail to follow the instructions, Alza may refuse to accept and stock the Goods.
 - Alza is required to provide a checklist which contains more detailed information. Alza may not refuse the Goods without this checklist.

1. EDI (Electronic Data Interchange)

- The Supplier is required to implement an identical or similar SW intermediary compatible with Alza's EDI solution and do so within 1 month after entering into the Master Agreement, unless explicitly stated otherwise. Where the Supplier fails to meet this obligation properly and in due time and keeps submitting the relevant documents other than via EDI, Alza has the right to charge the EDI fee specified in the Master Agreement.
- The Supplier may also send the EDI files via the web interface. EDI is a method for exchanging VAT invoices and other documents between trading partners using a standardised electronic format.
- Suppliers using EDI are required to submit a proper (error-free) DESADV message before the Goods are physically delivered. The message must be sent at the earliest 3 days and at the latest 12 hours prior to unloading so that Alza's system can receive it properly. Any DESADV messages returned due to errors must be corrected and sent in due course.
- Any serial and/or IMEI numbers placed on the Goods must as well be documented.
 - Data on paper dispatch advice must correspond to that exchanged via EDI (DESADV) and printed on labels (SSCC).
 - Otherwise, Alza has the right to refuse the delivery.

For more details regarding EDI, please visit: <https://www.grit.eu/edi-komunikace/alza-cz>.

2. Delivery to Logistic Centres

- **The Supplier is required to deliver the Goods to all delivery locations**, that is, to all Alza's warehouse facilities listed at <https://gatebooking.alza.cz/contacts>. **Where the Supplier fails to deliver the Goods to all the delivery locations, Alza has the right to charge the selected delivery fee specified in the Master Agreement.**

- **Each individual logistic unit delivered to the Alza's warehouse facilities must be SSCC labelled.**
 - 1 logistic unit = 1 SSCC.
 - The SSCC label on the logistic unit must match the product distribution data and the information stated in the DESADV message submitted via EDI.
 - Large domestic appliances (white goods) delivered other than on pallets will have one code assigned to the entire container.
 - Where the carriers do not allow the logistic units (parcels) to be labelled with own barcodes, the number and barcode of the logistic unit assigned by the respective carrier can be used. This information must be stated in the DESADV message submitted via EDI.
 - Given the packaging of the logistic unit, one despatch advice message can contain several SSCCs and one SSCC can be stated on multiple despatch advice messages.
- **Time slots for unloading must be booked online in advance, via GateBooking, as specified in Section 5 hereof.**
- **Supplier's despatch advice must be submitted to Alza via EDI in advance so that Alza has the respective information available prior to the delivery and acceptance of the Goods.**
- **Suppliers setting up an EDI connection with Alza are required to submit invoices along with their deliveries, which invoices should either be issued in paper form and accompany the Goods or be emailed at sklad@alza.cz.**
- Deliveries of new Goods may in no case include products that have been returned by Alza to the Supplier as part of the return process.
- Any and all repaired or replaced Goods must be delivered to the RMA Unit separately and be clearly labelled as "RETURN MERCHANDISE AUTHORISATION" or "RMA".

SSCC

Serial Shipping Container Code

Coding: GS1-128 (former EAN-128)

Label sizing: see recommendations below

- labels containing only the company name and SSCC: A6 size;
- labels containing more information: A5 size; and
- barcode height: 32 mm.

2.1 Logistic Unit: Parcel(s)

- Each individual logistic unit must state clearly the respective order reference (OB...).
- Accompanying invoices and despatch notes must be marked clearly (**applicable only throughout the period of setting up an EDI connection with Alza**). Once the EDI connection is set up, all documents must be submitted by the Supplier electronically via EDI.
 - Documents must be placed in self-adhesive clear plastic pockets/wallets/envelopes attached to a logistic unit (as shown below).
 - The despatch note must include the order reference (OB...), which order reference must be readable upon parcel receipt.
- Each component package must be identified accordingly (1/3, 2/3, 3/3), unless this information is stated by the carrier automatically or included in the SSCC after the EDI connection is set up.
- **Once the EDI connection is set up:**
 - Each individual logistic unit must be SSCC labelled. SSCCs must be visible and scannable.
- Alza may refuse deliveries of parcels visibly damaged or sealed with carrier's security packing tape.

The daily logistic volume of the Goods (number of parcels) delivered by individual suppliers to a logistic centre must not exceed 0.5 cubic metres or 30 parcels. Where either of the said values is exceeded, the Supplier is required to have the Goods delivered on pallets as specified in Section 2.2 Logistic Unit: Pallet.

2.2 Logistic Unit: Pallet

- Each individual logistic unit must state clearly the respective order reference (OB...).
 - The order reference must also be stated on documents submitted by the Supplier's driver (despatch note, invoice, waybill, etc.).
- Pallets must be stretch-wrapped and sealed with security packing tape to prevent damage.
- 800 x 1200 EUR-pallets or pallets of similar dimensions and construction must be used and must be safe to handle; save for circumstances where different pallet size is required given the nature of the Goods delivered (for instance, the Goods are too small for delivery of standard pallets) or where agreed by the parties in writing.
- **The maximum pallet height must not exceed 180 cm.**
- **The maximum pallet weight must not exceed 500 kg.**
- Double stacking is allowed.
- The Goods must be placed onto the pallet as indicated on the products or packing.
- The Goods placed onto the pallet must not overhang the pallet edges.
- The Goods must be stacked on the pallet in a manner preventing damage.
- The Goods must be stacked on the pallet so that the product or SN/IMEI barcodes are on the outside of the pallet (if the size of the Goods so allows).
- Placing more than one type of the Goods on a single pallet (mixed pallet) within one delivery is allowed only if there is one pallet left. Such pallet must be identified as a mixed pallet.
- Where the number of products placed in any pack/carton stacked on the pallet is different to that stated by the manufacturer on the product packaging, such pack/carton must be visibly marked, sealed with coloured tape and labelled as "mixed carton/incomplete carton".
 - This pack/carton must be placed onto the top layer of the Goods stacked on the pallet or on top of the pallet.
- Alza returns the EUR-pallets back to the respective carrier/Supplier immediately after delivery, applying the one-in-one-out principle. No records with respect to any EUR-pallets are made.
 - The said does not apply to pallets identified in the delivery documents as "paid", which pallets become the property of Alza at the latest when they come into the physical possession Alza and as such are not returned back to the Supplier.
- **Once the EDI connection is set up**, the Supplier is required to have each individual logistic SSCC labelled. SSCCs must be visible and scannable.

2.3 Logistic Unit: Bulk (Large and Bulky Goods)

- **Large domestic appliances (white goods: refrigerators, washing machines, dishwashers, etc.) may be delivered in bulk, without pallets.**
 - The minimum height of a bulk container (internal net height) is 260 cm.
 - Where the Goods are loaded in 3 or more layers on top of each other, there must be at least 25 cm of clearance between the top items and the inner top edge of the container.
 - There must be a minimum margin of 10 cm from the inner side to the stored Goods on each side.
 - The individual items must be loaded in such a way so as to be able to be unloaded using a forklift truck, without being rotated, and always in such a

way so as to ensure that the manufacturer's handling instructions indicated on the packaging of the Goods are met.

- The Goods must be delivered in their original packaging, which packaging will prevent the properly operated forklift truck from damaging the Goods or packaging.
- Any Goods which, according to the moving and handling requirements, cannot be unloaded with a forklift truck must be delivered on pallets as specified in Section 2.2 hereof.
- **Bulky Goods**
 - Bulky goods are goods loaded on other than standard pallets or EUR-pallets or bulky goods loaded directly into the floor of the container.
 - Where the nature of the Goods so allows, even bulky goods must be secured to the base (pallet).

3. Goods

Proper Delivery and Labelling

- The Supplier agrees to deliver the Goods to Alza in the quantity and quality as so required by Alza.
- The Goods must be delivered in their original, undamaged packaging and have EAN, serial number and/or IMEI barcodes. The Goods must be delivered together with the related documents and accessories so that they can be marketed in the EEA countries.
- The Goods must be delivered in accordance with the manufacturer's instructions.

Products lacking EAN barcodes assigned to them by the manufacturer are required to be delivered by the Supplier with a substitute EAN barcode (**Alza EAN**).

How to generate an Alza EAN code:

- The Supplier receives a product code from Alza's staff in charge (an SPD Unit team member), which product code consists of alphanumeric characters – for instance, SAMO1234.
- This product code is then used to generate a label, which label is exported in the desired format (for instance, using the online barcode generators shown below): **barcode + Alza product code**.
- **Free online barcode generators are as follows:**
 - <http://online-barcode-generator.net/> - default setting: **GS1-128**
 - <http://www.barcode-generator.de/V2/cs/index.jsp> - default setting: **CODE-128**
 - <http://barcode.tec-it.com/en> - default setting: **Code-128**
- The Supplier puts the generated Alza EAN on the Goods.

3.1 Master Pack (Case Pack)

A master (case) pack is protective packaging designed to protect the contents of a package from damage during transport. In general, one package contains more than 1 Goods item.

3.2 Protective Packaging Materials

The Goods must be properly packed, by using protective packaging materials (for instance, cardboard, paper, foil, etc.) designed to shield the Goods from any physical harm and damage during handling and moving.

3.3. Sets and Bundles

- Where the Goods (1 item) consist of 2 or more different articles, the Supplier will deliver the Goods in the set ordered by Alza, that is, will put up (bundle) the Goods in sets in such a way so as the Goods can be classified as a single trade item.
- The maximum weight of the set must not exceed 40 kg and its dimensions must not exceed 120 x 120 x 80 cm.
 - Such sets must have a product barcode. SN/IMEI numbers assigned to the products must be placed on the product.
- Large heavy sets will be loaded on a single pallet, which pallet will be wrapped in foil and labelled with the product barcode. The maximum weight of such pallet must not exceed 500 kg and one such pallet can only contain one set (bundle).
- **Where the set (bundle) cannot be delivered as detailed above, it is necessary to arrange with the respective Alza's staff member to divide the product into sub-items and to stock each part of the set separately.**



3.4. EAN Codes

Only 1 specific EAN code can be indicated on 1 piece of Goods. Where there is more than one EAN code placed on the Goods, the remaining EAN codes must be invalidated (for instance, manually crossed out), otherwise the Goods will be returned to the Supplier.



3.5. Expiry

Expiry dates, best before dates, use-by dates and batch numbers must always be indicated on the outside of each item (trade item) and its master case. The Supplier is required to deliver to Alza only the Goods which, on the date of delivery to Alza's warehouse, have at least 2/3 of the total minimum shelf life of the Goods remaining (unless otherwise explicitly agreed in advance by the parties).

3.6. User Manuals and Guides, Warranty Certificates, Other Documents

User manuals and guides, warranty certificates and other documents must always come with the Goods, in such a way so as to prevent them from being lost during transit or handling.

3.7. Miscellaneous

- Where Alza receives a delivery that is damaged or incomplete (for instance, receives different types of the Goods or fewer items of the Goods requested in the order), the Supplier is required to issue a credit memo for the value of such Goods.
- Late delivery of the Goods or their packaging by the Supplier is not possible.
- A damage report is issued if external damage is found during unloading.

4. Gate Specifications

4.1 Zdiby – Czechia (LCZ) and Chrást’any – Czechia (CZLC4)

- The Supplier is required to deliver the Goods in a container enabling unloading on a standard loading ramp of 85 cm (minimum height from the ground) x 203 cm (inner width) and/or in a container fitted with a rear unloading ramp of 275 cm (maximum height) x 280 cm (maximum width).
- The floor of the container must be solid and undamaged to allow the use of warehouse handling equipment.
- Where the requirements for unloading the Goods are not complied with, Alza is not obligated to accept the delivery; within the following 3 business days, the Supplier will either deliver the Goods in a container which will meet the requirements for unloading the Goods at the designated delivery location or issue a credit memo for the value of the undelivered Goods.

4.2 Úžice – Czechia (LCU), Senec – Slovakia (LCS), Bernolákovo - Slovakia (SKLC3) and Szigetszentmiklós – Hungary (HULC01)

- The Supplier is required to deliver the Goods in a container enabling unloading on a standard loading ramp of 100 cm (minimum height from the ground) x 203 cm (inner width) and/or in a container fitted with a rear unloading ramp of 275 cm (maximum height) x 280 cm (maximum width).
- The floor of the container must be solid and undamaged to allow the use of warehouse handling equipment.
- Large domestic appliances (white goods) delivered by the Supplier to Alza must be delivered as follows:
 - The minimum height of a bulk container (internal net height) is 260 cm.
 - Where the delivery consists of washing machines, dryers, refrigerators, etc. loaded in 3 layers on top of each other, there must be at least 25 cm of clearance between the top items and the inner top edge of the container.
 - The individual items must be loaded in such a way so as to be able to be unloaded using a forklift truck, without being rotated, and always in such a way so as to ensure that the manufacturer's handling instructions indicated on the packaging of the Goods are met. There must be a minimum margin of 10 cm from the inner side to the stored Goods on each side
 - The Goods may never be delivered contrary to the manufacturer's handling instructions (for instance, a refrigerator with a height of 180 cm may never be transported on its side).
- Where the requirements for unloading the Goods are not complied with, Alza is not obligated to accept the delivery; within the following 3 business days, the Supplier will either deliver the Goods in a container which will meet the requirements for unloading the Goods at the designated delivery location or issue a credit memo for the value of the undelivered Goods.

4.3 Praha Holešovice – Czechia (P7)

- The warehouse entrance area is located next to the Mountfield store in the parking lot of the Holešovice Market Hall (entrance from Komunardů Street). There is only one unloading area, with no ramp. The Goods are unloaded using a forklift truck only. Some

time slots are allocated to Alza's carriers, which carriers always have priority over other carriers – booking the time slots via GateBooking is therefore recommended.

5. GateBooking and Contacts

GateBooking is to be used to book a time slot for unloading the Goods and to find the contact details and information about the warehouse facilities (delivery locations).

- For the Goods to be unloaded, the Supplier must have a time slot booked in the Alza's booking system.
 - The time slot may be booked by either the Supplier or Supplier's carrier. The Supplier and the carrier must agree on who books the time slot in the system so as to avoid making duplicate bookings and hence not to occupy the time slots which could otherwise be allocated to other suppliers. Supplier's failure to use or cancel the time slot booked may be subject to a missed time slot fee charged as specified in the Master Agreement.
- Prior to the unloading, the driver presents at the delivery location a booking reference (REZ...), which reference may be submitted in printed or electronic form.
- In booking the time slot, the Supplier is asked to specify in the notes the order references (OByyxxxxxx).
- The number of pallets entered in the GateBooking system must correspond to the number of pallets physically delivered to the delivery location.
 - Tolerable deviation rate: 10%.
 - If this limit is exceeded, Alza is entitled to charge a penalty for breach of the Guidelines in the amount of CZK 3,000, or in the amount specified in the Master Agreement. Alza is also entitled to charge this penalty in case of other breaches of the Guidelines, e.g., if the Supplier fails to label the Goods in the manner required by the Guidelines.
- The vehicle delivering the Supplier's Goods must arrive no later than 5 minutes before the booked time slot.
 - Where the vehicle is late on arrival, Alza reserves the right to unload it only when there is a time slot available for the selected ramp/gate or not unload the vehicle at all on that day and give the Supplier a new time slot in the following days.
- **The time slot booked may be cancelled by 1:00 pm, two days before the scheduled delivery date.**
 - If the Supplier does not use the reserved time slot or fails to cancel the reservation on time, Alza is entitled to charge a no-show fee of CZK 10,000, or in the amount specified in the Master Agreement.
 - The penalty for breach of the Guidelines and the no-show fee are considered contractual penalties and, therefore, are not subject to VAT.
- **Loose goods and reserved pallet definitions for GateBooking:**
 - It is determined according to the used area of bulk goods in the vehicle, which would take the place of a physical pallet measuring 120×80 cm.

GateBooking Links:

- <https://gatebooking.alza.cz/>
- <https://gatebooking.alza.cz/contacts>

6.0 Downloads

All downloadable files for internal and external distribution, e.g. (supplier) are accessible Supplier Guidelines <https://www.alza.cz/pokyny-dodavatelum-pro-prijem-noveho-zbozi>