



Supplier Shipment Requirements

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Supplier Requirements

Dear Supplier Partner,

In order to maintain consistency throughout the supply chain it has become necessary for Apex Tool Group to enact packaging standards. Our end customer stores require packaging standardization in this competitive environment. The specifications listed on the following pages outline the requirements for properly marking and handling inbound freight.

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

In the guideline, you will see a charge back form listing the non-compliance issues with the charge.

You are required to respond with acknowledgement.

Please direct any questions to:

- **Apex Tool Group, USA, Apex, North Carolina**
 - Omar Rodriguez- Operations Manager
 - Omar.Rodriguez@apextoolgroup.com
- **Apex Tool Group, USA, Chain Business**
 - Cindy Jacoby- Logistics Supervisor
 - Cindy.Jacoby@apextoolgroup.com
- **Apex Tool Group, Mississauga, Canada**
 - Jason Carreiro- Distribution Center Manager
 - Jason.Carreiro@apextoolgroup.com
- **Apex Tool Group, Jonesboro, Arkansas**
 - Kathy Sellers- Logistics Supervisor
 - Kathy.Sellers@apextoolgroup.com +1 870 268 2626
- **Apex Tool Group, Stonewood:**
 - Pam.Le@ApexToolGroup.com +1 919 906 6716
 - Bill.Brickner@ApexToolGroup.com +1 717 755 2933

Receiving Appointments

1. Full truckload deliveries and LTL's must call at a minimum, 24 hours in advance to schedule a receiving appointment. Fed Ex, UPS and standing appointments may come at their regularly scheduled time.
2. Failure to properly schedule an appointment may result in delayed unloading and rescheduling of delivery.
3. For trailers appointments may be made by contacting:

Apex, NC

Receiving - 919.387.2625

ADCReceiving@ApexToolGroup.com

York, PA (Stonewood)

Receiving - 717.755.2933 ext. 12453

import.stonewood@apextoolgroup.com

Mississauga, Canada

Operations team-

onta_operationsteam@apextoolgroup.com

4. For sea containers, appointments may be made by contacting:

Apex, NC

No Appointments needed for Apex, NC

All Containers are drop and hook

York, PA (Stonewood)

Receiving - 717.755.2933 ext. 12453

import.stonewood@apextoolgroup.com

Mississauga, Canada

Operations Team-

onta_operationsteam@apextoolgroup.com

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

Packing Slips

1. All inbound material must be accompanied by a completed packing slip and should be indicated in a prominent manner to the Receiving Department.
2. Packing slip must be identified with a unique identification number. (The packing slip number)
3. A copy of the Packing slip should be attached to the bill of lading.
4. On packing slips, all items for a PO must be grouped together.
5. **Packing slip must contain:**
 - Apex Tool Group purchase order number
 - Apex Tool Group SAP catalog number
 - Description of part – listed for each part number on packing slip
 - Quantity shipped – listed for each part number on packing slip
 - Domestic shipments - Total number of cases/cartons, parts, & quantities
 - International shipments - Total number of pallets, cases/cartons, parts, & quantities
 - Name of supplier
 - All partial quantities must be identified on packing slip
 - Bulk items must include correct net, gross and tare weights
 - Certificate of compliance (when warranted) must accompany all packing slips."

In the event that an exception or change is made, flag the change in the paperwork. All exceptions must first be approved by ATG.

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

Floor Loads

- Floor loaded containers must be loaded so that product arrives in good condition
- Lightweight product that is susceptible to crushing, lightweight cartons should be loaded on top of heavy cartons.
- Floor load all like items together in one area only
- If the product is loose, there must be some kind of netting or other stabilization.
- Ensure proper blocking and bracing so that the material does not shift.
- Add pallet pattern label (supplied by Packaging Engineering) to the top flap (4" x 6" label)

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

Pallet Requirements

1. Pallet Dimensions:

- Apex, NC and Mississauga, Canada
 - 48" X 40" overall or
 - 42" X 36" as specified by the P.O. For Apex, NC
- York, PA (Stonewood)
 - 40" X 40" as specified by P.O.

APEX TOOL GROUP PALLET SPECIFICATION SHEET
(All dimensions in inches)

PALLET I.D.: 42.00 X 36.00 PINE & HARDWOOD MIX
CLASSIFICATION: 42.00 X 36.00, STRINGER CLASS, DOUBLE FACE NON REVERSIBLE, PARTIAL 4-WAY, MULTIPLE USE,
① GRADE A & B, NEW OR REMANUFACTURED TO SPECIFICATION

COMPONENTS

TOP DECK
STYLE: DECKBOARD
TYPE: NEW LUMBER OR REMANUFACTURED ①
THICKNESS: .500"
LENGTH: 36.00"
WING: 0.00"
TOTAL NUMBER OF DECKBOARDS: 7
WIDTH: 3.500"
FASTENERS PER CONNECTION: 2

ENDBOARDS FLUSH, INTERIOR BOARDS EQUALLY SPACED
SELECT TOP DECK ENDBOARDS

VOLUME: 3.1 bd ft.

BOTTOM DECK
STYLE: DECKBOARD
TYPE: NEW LUMBER OR REMANUFACTURED ①

THICKNESS: .500"
LENGTH: 36.00"
WING: 0.00
TOTAL NUMBER OF DECKBOARDS: 3
WIDTH: 5.500"
FASTENERS PER CONNECTION: 3

ENDBOARDS FLUSH, INTERIOR BOARDS EQUALLY SPACED
SELECT BOTTOM DECK ENDBOARDS

VOLUME: 2.1 bd ft.

STRINGERS
TYPE: NEW LUMBER OR REMANUFACTURED ①

HEIGHT: 3.500"
LENGTH: 42.00"
TOTAL NUMBER OF STRINGERS: 3
WIDTH: 1.125"

PARTIAL 4-WAY ENTRY NOTCH:
DEPTH: 1.500"
LENGTH: 6.00"
LOCATION: 6.00"
RADIUS: 0.5"

VOLUME: 3.9 bd ft.

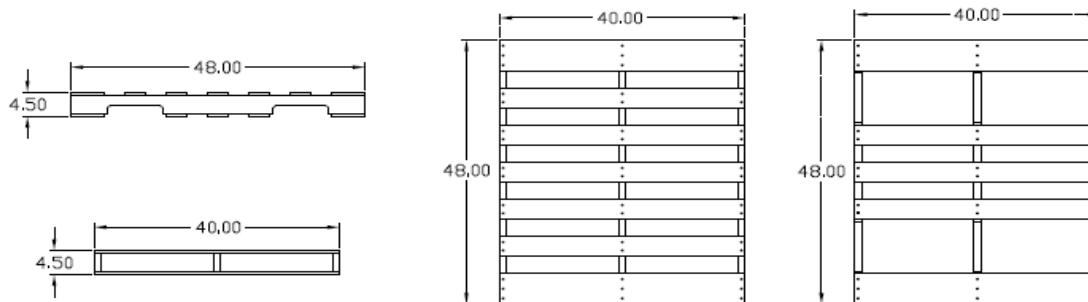
MATERIALS

FASTENERS
FASTENER: 2-1/4 X .112 SS, HELICALLY THREADED NAIL
TOTAL NUMBER: 69

NEW LUMBER
LUMBER I.D.: PINE
SPECIES CLASS: SOUTHERN YELLOW PINE
GRADE: STANDARD
LUMBER MIX: 100%
MOISTURE CONTENT: GREEN

TOTAL NEW LUMBER VOLUME: 5.8 bd ft.

APEX TOOL GROUP PALLET SPECIFICATION SHEET
(All dimensions in inches)



PALLET I.D.: 48.00 X 40.00 PINE & HARDWOOD MIX
 CLASSIFICATION: 48.00 X 40.00, STRINGER CLASS, DOUBLE FACE NON REVERSIBLE, PARTIAL 4-WAY, MULTIPLE USE,
 ① GRADE A & B, NEW OR REMANUFACTURED TO SPECIFICATION

COMPONENTS

TOP DECK

STYLE: DECKBOARD
 TYPE: NEW LUMBER OR REMANUFACTURED ①
 THICKNESS: .500"
 LENGTH: 40.00"
 WING: 0.00"

TOTAL NUMBER OF DECKBOARDS: 7

NUMBER	WIDTH	FASTENERS PER CONNECTION
2	5.500"	3
5	3.500"	2

ENDBOARDS FLUSH; INTERIOR BOARDS EQUALLY SPACED
 SELECT TOP DECK ENDBOARDS

VOLUME: 4.0 bd ft.

BOTTOM DECK

STYLE: DECKBOARD
 TYPE: NEW LUMBER OR REMANUFACTURED ①
 THICKNESS: .500"
 LENGTH: 40.00"
 WING: 0.00"

TOTAL NUMBER OF DECKBOARDS: 7

NUMBER	WIDTH	FASTENERS PER CONNECTION
2	5.500"	3
3	3.500"	2

ENDBOARDS FLUSH; INTERIOR BOARDS EQUALLY SPACED
 SELECT BOTTOM DECK ENDBOARDS

VOLUME: 3.0 bd ft.

STRINGERS

TYPE: NEW LUMBER OR REMANUFACTURED ①
 HEIGHT: 3.500"
 LENGTH: 48.00"
 TOTAL NUMBER OF STRINGERS: 3
 WIDTH: 1.125"

PARTIAL 4-WAY ENTRY NOTCH:

DEPTH: 1.500"
 LENGTH: 9.00"
 LOCATION: 6.00"
 RADIUS: 0.5"

VOLUME: 3.9 bd ft.

MATERIALS

FASTENERS

FASTENER: 2-1/4 X .112 SS HELICALLY THREADED NAIL
 TOTAL NUMBER: 84

NEW LUMBER

TOP & BOTTOM ENDBOARDS

LUMBER I.D.: MIXED HARDWOOD
 SPECIES CLASS: MEDIUM DENSITY EASTERN HARDWOODS
 GRADE: STANDARD
 LUMBER MIX: 35%
 YELLOW POPLAR
 GRADE: STANDARD
 LUMBER MIX: 30%
 EASTERN OAKS
 GRADE: STANDARD
 LUMBER MIX: 35%

MOISTURE CONTENT: GREEN

INTERIOR TOP & BOTTOM DECKBOARDS

LUMBER I.D.: PINE
 SPECIES CLASS: SOUTHERN YELLOW PINE
 GRADE: STANDARD
 LUMBER MIX: 100%

MOISTURE CONTENT: GREEN

STRINGERS

LUMBER I.D.: PINE
 SPECIES CLASS: SOUTHERN YELLOW PINE
 GRADE: STANDARD
 LUMBER MIX: 100%

MOISTURE CONTENT: GREEN

TOTAL NEW LUMBER VOLUME: 10.9 bd ft.

2. Pallet Stacked

- i. All inbound material (freight) must be palletized.
 - a. Material loaded on the floor of a trailer or loaded on a slip-sheet is not acceptable unless authorized by warehouse management.
- ii. Pallets must measure according to site specific requirements listed in the dimensions section above.
- iii. Height of palletized load must not exceed 48" – including height of pallet for non-bulk shipments.
- iv. Cartons must not extend over edge of the pallet (unless authorized by warehouse management).
- v. If a pallet has more than one type of product it must be labeled on the front and back with "MIXED PALLET"
- vi. Pallet or over pack labels should include total quantity contained within carton and be placed near shipping label for pallet
- vii. Partial cases must be clearly identified as such, consolidated when possible and be placed on the top layer of the pallet with the piece count clearly legible on the case.
- viii. For irregular sized items where the standard pallet size is too small load lifting points are required on packaging. Also, no part of the product can protrude through the top surface of the pallet. Must carry inherent properties of regular pallet (stringers, deck, fork lift openings), but sized for oversized load.
- ix. See Packaging Engineering assembly specification for proper pallet patterns.

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

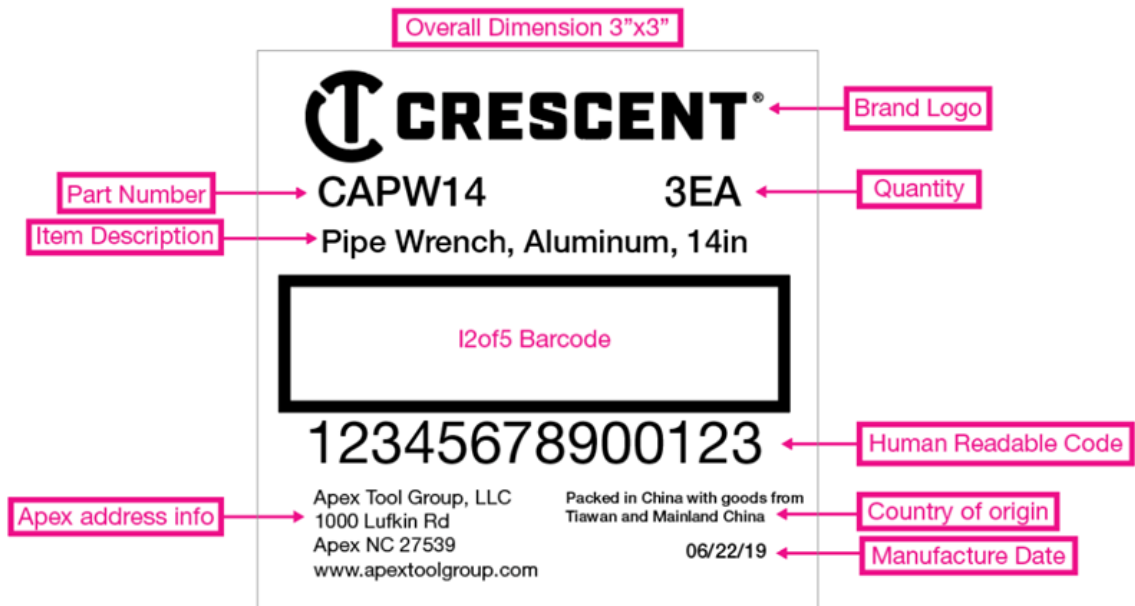
Cases

1. Each case must contain a case identification label.
2. Each case must be sealed – both bottom and top
3. Gross weight of individual case must not exceed 40 lbs. / 18.14 kg. (unless authorized by warehouse management).
4. The bottom flap of the cartons must be stamped with the carton guarantee seal.
5. Partial cases must be clearly identified as such, consolidated when possible and be placed on the top layer of the pallet with the piece count clearly legible on the case.
6. In the event that the unit and/or carton packing parameters change, Apex Tool Group must be notified of the change. Such changes could be the unit dimension, unit weight, carton dimension, carton weight, carton quantity, carton space filler, pallet quantity, pallet weight, etc...
7. Strapping should not be used on boxes smaller than 24 inches long by 20 inches wide.
8. Mixed SKU's
 - a. Different SKU's should never be in the same container/box
 - b. The same SKU in a shipment should be consolidated on the same pallet
 - c. If 2 or more part numbers will be on the same pallet a slip sheet must be placed between the product SKU's
 - d. Place all of the same part number is on the same pallet, not mixed across the same shipment container.
 - i. If this is not feasible the pallet must state "MIXED PALLET" in color
 - e. Ensure part numbers are physically separated by utilizing a slip sheet
9. Partial Cases
 - a. Incomplete quantity boxes should be minimized by consolidation
 - b. Only 1 partial box per SKU per load is allowed
 - c. A partial box label should be added to the top and 2 sides of the box
 - i. The label should be easily visible with a bright background preferred.
 - ii. A case should never have more than one SKU in it.
 - d. If 2 or more part numbers will be on the same pallet ensure part numbers are physically separated by utilizing a slip sheet

Failure to adhere to these guidelines may result in shipment rejection, processing delay, payment delay, and/or financial charge.

Shelf (Inner) Pack Label

- Must be 3" x 3" (7.62cm x 7.62cm).
If case dimensions do not allow for this size, the label can wrap over the top, however the barcode has to be entirely on the side of the case. 2" x 3" label size can be used with ATG approval.
- Must have 1 label per carton
- Place label on long face of carton 1" from edges
- Must be read as ANSI grade "B" for ATG branded cartons.
- Must be read as ANSI grade "A" for THD Husky branded cartons.
- Electronic file for label template and logos will be provided
- Partial packs to be labeled with the correct quantity

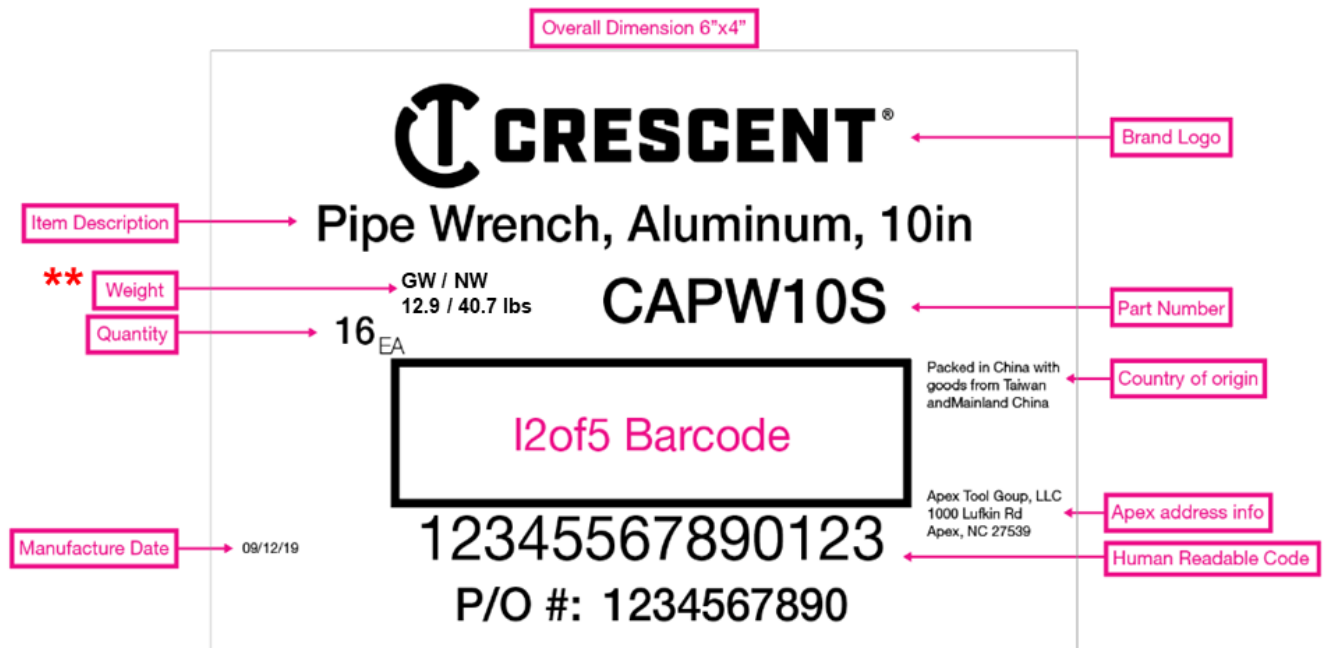


LABEL PLACEMENT



Master Case Label

- Must be 4" x 6" (10.16cm x 15.24cm)
If case dimensions do not allow for this size, the label can wrap over the top, however the barcode has to be entirely on the side of the case.
- Must have 2 labels per carton
- Place labels on adjacent sides of case 1" from edges
- Must be read as ANSI grade "B" for ATG branded cartons.
- Must be read as ANSI grade "A" for THD Husky branded cartons.
- Cartons must be palletized so that corner with labels are facing outwards
- Electronic file for label template and logos will be provided



- Partial packs to be labeled with the correct quantity



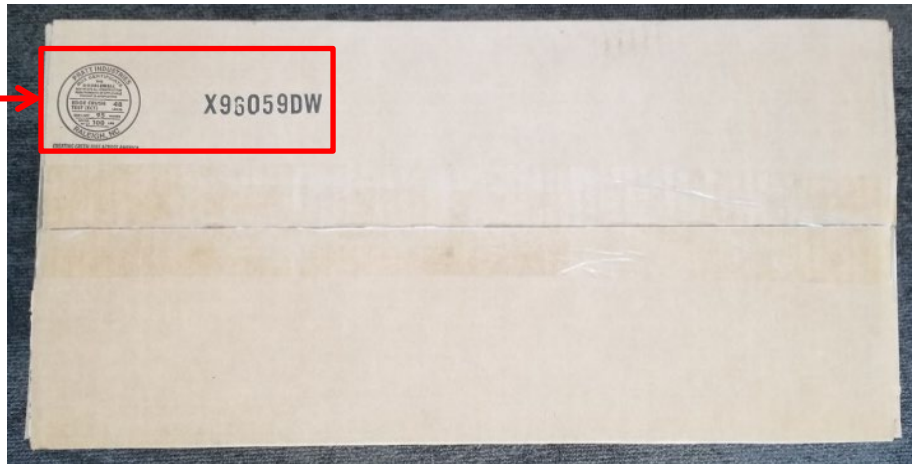
Label placement on adjacent sides

Master Case Printing

**Special printing for Husky. See next slide.*

Only print the following on the bottom flap of master cases

- Part Number of carton
- Box maker's certificate



- No direct print on sides of case



Husky Branded Case Carton Printing

Only print the following on Husky branded master cases

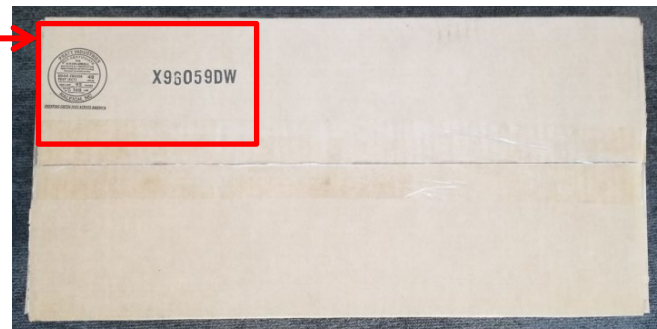
On ALL four sides of carton

- Up Arrows
- Department #



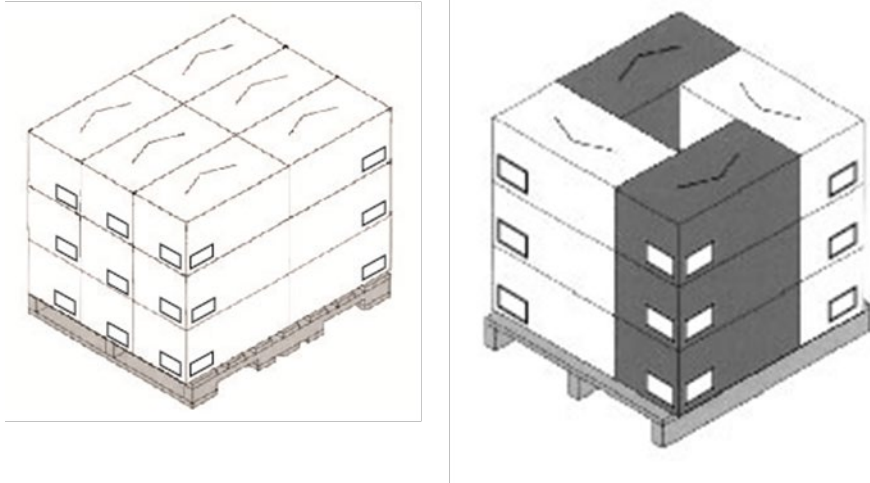
On bottom flap of carton

- Part Number of carton
- Box maker's certificate



Palletizing

- Cartons must be palletized so that corners with labels face outwards.



- Place labels on adjacent sides of case 1" from edges



Hazardous Shipments

Hazardous Materials-

Suppliers are expected to comply with federal regulations for hazardous and dangerous goods regulations. All pallets, cartons should be marked with the proper Hazardous material description, Hazardous Labels and proper markings. All packing list will show these Hazardous materials. All shipments should have (SDS) safety data sheet attached. Non-complaint shipments will be fined accordingly. Please do not ship any Hazardous materials shipment via air freight.

Chargebacks

Summarized below are the charge back amounts that Apex Tool Group may, at its option, assess for various non-compliance issues. Please acknowledge that you have read this document and agree with the requirements. All chargebacks will be deducted from your next remittance advice in US currency.

In addition to the below compliance charges, there will be a flat fee of \$100 per SKU that will be assessed.

CHARGEBACK AMOUNTS

NON-COMPLIANCE ISSUE

Non-Compliant Cartons

\$200 per SKU	Carton dimensions (+/-) inch from initially supplied specifications, including changes to dimensions after first shipment without approval.
\$10 per carton	Cartons exceeded the 40 lb. Weight limit, without prior approval
\$250 plus \$10 per carton	Actual quantity in carton differs from initially supplied information, including changes made after first shipment without approval.

Improper Labeled or Marked Carton

\$10 per carton	Failure to follow standards for carton label or marking.
\$250 per SKU	Failure to use the correct symbology for barcodes.
\$10 per carton	Label or marking placement is incorrect.
\$10 per carton	Actual quantity in carton differs from quantity marked on the outside of case

Documentation

\$250 per Shipment	Packing List not included in shipment or not clearly marked.
\$250 per Shipment	Required information is not on Packing List.

Document Revision History

Date	Rev.	Change	By:
7/23/2018	-	Origination of document	J. O'Leary
11/8/2018	B	Address change, Revision tab, expanded pallet specs	J. O'Leary
8/19/2019	C	Add in requirements for the all US Distribution Centers and Changed format to Word	P. Le
10/10/2019	D	Add details for shelf and case label, case marking and palletization	K. Peter
10/30/2019	E	Added "ATG" to file name and updated ATG logo and formatting adjustments	J. Greene
9/01/2020	F	Changed max master weight from 50lbs to 40lbs	J. Greene
	G	Update contacts on page 2	
10/08/2020	H	Correct Rodriquez to Rodriguez	J. Greene