

Standard Shipping Instructions (SSI) Azerbaijan (OFSE, IET)

Purpose

The purpose of this document is to detail the requirements of importing materials into the Republic of Azerbaijan to ensure strict compliance with Azerbaijani Customs laws and regulations, expedite the customs clearance process, avoid risk of fines, penalties, forfeitures in relation to imported goods and minimize storage/demurrage costs.

Scope

The requirements stated in this document apply to all shipments originating outside Azerbaijan from both intercompany or external suppliers for Baker Hughes business product lines located in Azerbaijan: Subsea Production Systems (SSPS), Industrial Solutions (IS) and Turbomachinery Process Solutions (TPS)

Responsibility and Authority

It is the Shipper's (intercompany or external suppliers) responsibility to follow the instructions described in this document to assure compliance with Baker Hughes Azerbaijan shipping requirements and Azerbaijan customs laws and regulations. Suppliers arranging shipments to the Republic of Azerbaijan are responsible for provision of **full, true and accurate shipment information and documents** as well as ensure those shipments comply with the requirements for Customs clearance as defined in the procedure.

Description of Activity

Shipper's (intercompany or external suppliers) planning and executing shipments consigned to Azerbaijan shall proceed in accordance with the shipping instructions and specific routing terms set forth below.

1. Contacts

Suppliers' first and main point of contact is Bakr Hughes Sourcing/Procurement.

Below are Customs/Logistics Team contacts. Choose the one applicable to your transaction.

Business segment	Legal entity name	Delivery Address	Email
Subsea & Surface Pressure Control Systems (OFE - SP&S)	Baker Hughes Energy Technology UK Ltd Branch in Azerbaijan Tax ID: 1702163461	Salyan Highway, 17th km, Garadakh District, Baku, AZ1023, Azerbaijan.	BHCaspianCCOETeam@bakerhughes.com
Industrial Energy Technology (IET DS)	Baker Hughes Energy Technology UK Ltd Branch in Azerbaijan Tax ID: 1702163461	Salyan Highway 15th km, 1F, Garadag District, Baku, AZ1063, Azerbaijan	BHCaspianCCOETeam@bakerhughes.com
Turbomachinery Process Solutions (TPS)	Nuovo Pignone International S.r.l. Branch in Azerbaijan Tax ID: 1102844991	Salyan Highway 15th km, 1F, Garadag District, Baku, AZ1063, Azerbaijan	BHCaspianCCOETeam@bakerhughes.com
Oilfield Services (OFS)	Baker Hughes Services International LLC Tax ID: 9900014751	Salyan Highway 15th km, 1F, Garadag District, Baku, AZ1063, Azerbaijan	LogisticsTeam.AzerbaijanBHI@bakerhughes.com ; ctcisexpimpazerbaijan@bakerhughes.com

Destination Customs entry ports

Air	Road	Ocean	Rail
Heydar Aliyev International Airport (GYD) Baku North, 20km	"Ipek Yolu" Road Terminal. Salyan Highway, 14 th km, Garadakh District, Baku, Azerbaijan	Alat Port (destination port) – for shipments originating from Russia, Kazakhstan and Turkmenistan only. Port of Poti or Turkish ports (transit ports) – for shipments originating from other countries.	"Absheron" railway station. Address: 57, Lokbatan Settlement, Khojasan road. Baku city, AZ1063, Garadagh district, Azerbaijan

2. Incoterms

Air	as provided on PO/Contract. Preferred Incoterms – FCA. EXW and DDP are not supported.
Road	as provided on PO/Contract. Preferred Incoterms – FCA. EXW and DDP are not supported.
Ocean	as provided on PO/Contract. Preferred Incoterms – FCA. EXW and DDP are not supported.
Courier	as provided on PO/Contract. Preferred Incoterms – FCA. EXW and DDP are not supported.

For correct application and interpretation of Incoterms, please contact Baker Hughes Customs/Logistics teams.

3. Billing Address

Legal entity	Address	Contact
Baker Hughes Services International. LLC Tax ID: 9900014751	Salyan Highway 15th km, 1F, Garadag District, Baku, AZ1063, Azerbaijan	Please contact Sourcing/Procurement Team

Baker Hughes Energy Technology UK Ltd Branch in Azerbaijan Tax ID: 1702163461	Salyan Highway, 17th km, Garadakh District, Baku, AZ1023, Azerbaijan.	Please contact Sourcing/ Procurement Team
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4. Radioactive, Explosive and Chemical Shipments

Allowed.

Special Considerations:

Shipments of dangerous and hazardous nature (radioactive, explosives, chemicals, etc.) must have prior approval of Baker Hughes HSE to ensure safe import.

Before importation, a special permission for import (import license) must be obtained from local regulatory authorities (State Customs, Ministry of Emergencies, Cabinet of Ministers). After receipt of the import permission, all shipping documents must be reviewed and validated by Baker Hughes Customs COE and a proper Green Light (GL) for dispatch must be given. All communication must be carried out by email with the subject line marked as "Radioactive", "Explosives" or "Chemicals".

Radioactive and fissile materials, isotopes, radioactive sources, devices, etc. must be separated from other shipments and sent under a separate transport bill. Data provided on the shipping documents, i.e. license, source passport/certificate, packing data sheet must be identical to the data provided on the Commercial/Shipping/Customs Invoice and Packing List and the physical marking/label on the shipment. Any discrepancy between the data elements must be addressed prior to dispatch. Failure to provide these documents in a timely and correct manner will delay and possibly prevent importation of materials into the country.

The procedure for registration of new license for import of radioactive/explosive material may take up to 60 working days. To obtain import license, Baker Hughes Azerbaijan must submit Annex to the contract/PO with indication of cost, quantity, type of isotope, composition, activity per each part number of radioactive and fissile materials, isotopes, radioactive sources, devices, etc.

For the Green Light procedure, Shipper must provide the following information:

- Commercial/Shipping/Customs Invoice
- Packing List
- Material Safety Data Sheet (MSDS)
- Source (isotope) Passport/Certificate (for radioactive shipments)
- Manufacturer's Certificate of chemical composition (for chemicals)
- Packing Data/Certificate of Packing
- Certificate of Origin issued by Chamber of Commerce
- Full Technical Description
- Dangerous Goods declaration
- UN number marking
- Shipment photographs (one general view + separate photos of each hazardous material)

DO NOT dispatch without the Green Light from Baker Hughes Customs/Logistics. Final shipment pre-alert with full set of shipping documents reviewed and approved by Baker Hughes must be provided after dispatch. Import/export licenses must be obtained prior to arrival/departure of the shipment. Minimum 72 hours pre-notification with the airline and flight number, actual date of departure and estimated date/time of arrival at destination airport.

Shipments of radioactive content must not arrive in country on weekends/public holidays and not later than Friday morning to ensure timely customs inspection and delivery to the place of storage.

Contact Baker Hughes Customs/Logistics teams for further instructions.

5. Sample Shipments

Allowed.

Special considerations:

Import of samples must be under a free-of-charge contract/PO, if such terms are not stipulated by a separate clause in the supply contract/PO. Import permission may be required for importation of samples of hazardous content (i.e. radioactive, explosives, chemicals). All sample shipments are subject to customs clearance regardless of their price, volume or quantity. Goods must be accompanied by a "proforma" or a "customs invoice" and a packing list with clear wording "Free-of-Charge shipment, Sample only, Not for sale, Prices are for Customs purposes only". Please follow the GL procedure and DO NOT dispatch without Baker Hughes Customs/Logistics approval. Terms of payment will be FREE OF CHARGE.

Contact Baker Hughes Customs & Logistics teams for special instructions.

6. Repair and Return / Warranty Repair Shipments

Allowed.

Special considerations:

Shipments sent to/from Azerbaijan for external/internal repair are customs sensitive and customs controlled. The following **mandatory** requirements/documents must be in place to execute a repair shipment:

- Repair Contract/PO with clear indication of:
- Supplier of repair services (full name, address, contacts)
- Place of repair
- Type of repair (paid repair or warranty)
- Description of a defective/damaged product (part number, full industrial description, serial number, quantity)
- Description of defect/damage
- Detailed description of expected repair works
- Total amount of the repair service charge
- Repair Contract/PO must be in English and Azerbaijani with both languages having equal force
- Shipping Proforma Invoice
- Packing List
- Shipment photographs: one general view; one of the defect/damage image; one with part/serial numbers clearly visible; one with packing
- Supplier's repair service invoice

All the paperwork above must be reviewed and approved by Baker Hughes Customs COE before dispatch. Please follow the GL procedure and do not dispatch without GL and until properly instructed.

Contact Baker Hughes Customs & Logistics teams for further instructions.

7. Hand Carry

Allowed, but strongly discouraged and only in exceptional cases.

Special considerations:

Hand carry of Baker Hughes owned or purchased goods for commercial purpose is prohibited. Hand carry is allowed in exceptional cases, only for intercompany carriage and only for non-commercial purpose. Contact Baker Hughes Customs/Logistics for additional information.

8. Restricted Materials

- Restricted chemicals of 2812 10, 2811 19, 2853 00, 2904 90, 2920 90, 2922 19, 2922 13
- Hazardous waste listed in the Basel Convention
- Military equipment, drugs/medicines, dual usage items, chemicals, plants, live animals etc. are subject to import permits.
- Import of Radioactive/Explosive materials is subject for Cabinet of Ministers permission and other related bodies as explained above

9. Requirements for Commercial/Shipping/Customs Invoice

Invoice heading **must** have:

- Invoice number
- Invoice date
- Seller's full legal name, address as per Contract/PO
- Buyer's full legal name, address as per Contract/PO
- Shipper's full name, collection address, contacts (if different from Seller's name, address):
- Receiver's full name, delivery address, contacts (if different from Buyer's name, address)
- Reference to Contract/PO number and date
- Incoterms 2020: as per PO/Contract with proper indication of location. E.g.: FCA Aberdeen, UK.
- Payment terms: as per Contract/PO

Each line item in goods' description field **must** have:

- Item part/material number
- Item full description. Avoid abstract generic descriptions, abbreviations, coded descriptions.
- Serial number (required only for equipment/tools. Not required for consumables)
- Country of Origin (COO)
- HS code
- Quantity
- Unit of measure (ea/pcs). If item comes as kit/BoM, each individual kit component must be split as per HS code, COO, price, net weight.
- Total net weight per line item in kilograms: true and accurate. Randomly guessed weight is not acceptable.
- Price per line item
- Total line item price
- Currency
- Name, surname, position, authorized signature, company stamp (if available)

Desired "nice to have" data:

- Manufacturer's name for each line item with the manufactory date

Contact Baker Hughes Customs & Logistics teams for further clarifications **before** goods' dispatch.

10. Requirements for Packing List

Packing List is not required on a separate document if the packing details provided below are duly reflected on the Invoice.

If Packing List comes as a separate document, it must include:

- Packing List number
- Packing List date
- Part/material numbers, descriptions, serial numbers (if needed), quantities.
- Net unit weight per item
- Total net weight per line item
- Package identification number, if available
- Package content. E.g.: invoice line items 1-2, 5-7
- Package type (carton box/wooden crate/pallet/basket/shipping frame/container)
- Package dimensions (length x width x height, cm)
- Total number of packages, pcs
- Total gross weight per package
- Grand total gross weight
- Grand total volumetric weight

Contact Baker Hughes Customs & Logistics teams for further clarifications **before** goods' dispatch.

11. Special Packing Instructions

Packing instruction must comply with Baker Hughes' requirements and meet all regulatory standards. The following instructions are not mandatory, but desirable to have for easy identification purpose in case of an unexpected customs inspection:

Each package is to be labelled or stenciled, whichever is suitable, with the following information:

- Consignee name
- Contract/PO number
- Invoice number
- Package ID/serial number as per PL

12. Freight Forwarder's Instructions (all shipments)

ACE Forwarding Limited
 Green City Complex, 2nd Floor, Salyan Highway 14km
 Baku AZ1023, Azerbaijan
 Tel: + 994 12 565 18 90/1/2/3/4

13. Required Documents

Document Description	Air		Ocean		Courier		Comments
	Original	Copy	Original	Copy	Original	Copy	
Shipping Invoice	2		2		1	1	Green Light approved shipping invoice is to accompany the shipment in transit and on arrival.
Packing List (if not included in the invoice)	2		2		1	1	Packing List is to accompany the shipment in transit and on arrival, if packing details are not provided on the invoice.
Airway Bill	2		2		1	1	
Bill of Lading			2	1			Express release is required for all ocean shipments

	Air		Ocean		Courier		
Export Declaration			2	1			Copy of Shipper's export declaration may be required upon Customs demand to justify the invoice value.
Contact/Purchase Order							Value and description on Contract/PO must match the information provided in the shipping invoice, value/serial number and quantity inclusive
Certificate of Origin	1	2	1	2	1	2	Must be duly reflected on the invoice. Original COO required for all shipments. Approach Baker Hughes Customs/ Logistics for exceptions. COO must be issued by Exporter's Chamber of Commerce. If chambered COO is not available, Exporter's notarized COO confirmation is acceptable. Green Light will not be provided for shipments without COO.
Insurance Certificate							Upon request
MSDS		1	1	1		1	For hazardous shipments
Technical Passport per item							Required only in case of classification rulings

14. Required Approvals		
Approval	Yes/No	Comments/Additional information
IM (import) Number Required?	No	For OFS only: IM reference number shall be indicated in the subject of email communication.
Green Light Approval required?	Yes	mandatory
Freight Cost Approval required?	Yes	mandatory in case if Incoterms 2020 is other than FCA.
HAWB/MAWB, BOL, CMR approval Required?	Yes	mandatory in case if Incoterms 2020 is other than FCA.

15. Additional Information
<p>Incompliance with requirements described above will result in clearance delays and undue inconvenience, storage, and other impediments, which shall be on Shippers' account.</p> <p>Original Shipping Invoice and Packing List approved by Baker Hughes Customs/Logistics must accompany the shipment whilst crossing the customs border of Azerbaijan and arrive with the shipment to the designated customs post of clearance. Any changes in shipping documents (including truck plate number) must be pre-approved by Baker Hughes Customs/Logistics 2 working days prior to the shipment arrival.</p> <p>For all surface shipments Sender is to provide a proper pre-alert to Baker Hughes Customs/Logistics with all shipping documents no later than 2 calendar days before shipment's crossing the customs border of Azerbaijan. This is done to allow enough time for Baker Hughes Customs/Logistics to issue a Short (pre-alert) Customs Declaration, which will appear in the electronic system when crossing the border. Trucks/Rail wagons must NOT cross the border until Short CD reference is available.</p>

According to Article 485.2 of the Administrative Penalties Code of the Republic of Azerbaijan, failure to provide Short CD by the importer before shipment's crossing the border will result in the penalty amount of 1500 Azerbaijani Manats (cc. USD 900).

Appendixes

- Appendix A – Commercial/Shipping/Customs Invoice & Packing List template.

Appendix A. Commercial/Shipping/Customs Invoice & Packing Data template

Considerations for the invoice template:

1. Below is the desired template of Commercial/Shipping/Customs Invoice & Packing Data ideally suitable for import-export customs clearance across Baker Hughes.
2. Supplier is free to use his own invoice template on condition that the mandatory data above is duly provided.
3. Contact Baker Hughes Customs & Logistics teams outlined in Section 1 if you do not have a template and/or if you wish to use this template for shipping.
4. Packing List is not required on a separate document, if packing details are included in the invoice.

SHIPPING INVOICE										
No. XXX										
Date: XXX										
1. SELLER/EXPORTER			2. BUYER/IMPORTER			3. GOODS COLLECTION ADDRESS/SHIPPER			4. ULTIMATE DELIVERY ADDRESS/RECEIVER	
5. CONTRACT/PO				7. SALES ORDER				9. CURRENCY		
6. INCOTERMS				8. TERMS OF PAYMENT				10 MOT		
11. Goods as per description below:										
Line #	Part No.	Description	Serial	Origin	HS Code	Quantity	Unit price	Total price	Unit Net Weight (kg)	Total Net Weight (kg)
12. Special notes:								SUBTOTAL	Total net kg: 0.0	
								FREIGHT		
								TOTAL	0.00	
13. PACKING DETAILS:										
TOTAL:		Package ID	Package Type	Total net weight (kg)	Total gross weight (kg)	Dimensions (cm)	Contents			
_____ Signature	_____ Name	_____ Date								