

Standard Shipping Instructions (SSI) China (OFE, IET)

Purpose

The purpose of this document is to detail the requirements of importing materials into China. To ensure strict compliance with China Customs laws and regulations; to expedite clearance of items imported to China; to minimize risk of fines, penalties, and forfeitures in relation to imported goods, and to minimize storage/demurrage charges.

Scope

The requirements stated within this document apply to all shipments, originating outside China from intercompany shippers or external suppliers, which are consigned to any Baker Hughes business (OFE, DS and TPS) locations within China.

Responsibility and Authority

It is the shipper's (Intercompany or external supplier) responsibility to follow the instructions described in this document to assure complete compliance with Baker Hughes China shipping requirements and China customs laws and regulations. Consignors arranging shipments crossing into the China boundaries are responsible for providing complete and accurate shipment information and documentation as well as ensuring those shipments adhere to the China requirements for customs clearance as defined in the procedure.

Description of Activity

Shippers (Intercompany or external suppliers) Hughes planning and executing shipments consigned to China shall proceed in accordance with the shipping instructions and specific routing terms set forth below.

1. Contacts

Suppliers' first and main points of contacts is Baker Hughes Sourcing/Procurement.

2. Shipping Address (Ship To)

Baker Hughes Oil & Gas (Beijing) Co., Ltd.					
Means of Transportation	Address				
Air/Ocean/Courier	12 Taiyanggong Middle Road, Guancheng Building Floor 16, Chaoyang Districts, 100020 Beijing, China				
Preferred Airport	Preferred Port	Courier Restriction			
Beijing	Tianjin	None			
Baker Hughes Oil & Gas (Beijing)	Baker Hughes Oil & Gas (Beijing) Co., Ltd Shenzhen Branch				
Means of Transportation	Address				
Air/Ocean/Courier	CN-44-Shenzhen-Chiwan Base, Zuo Pao Tai Road Shenkou-BLD1037842, China				
Preferred Airport	Preferred Port	Courier Restriction			
confirm	n with Baker Hughes Customs before	shipping			
Dresser Machinery (Suzhou) Co. L	.td.				
Means of Transportation	Address				
Air/Ocean/Courier	No.81 Suhong Zhong Road, Suzhou Industrial Park, Suzhou 215021, China				
Preferred Airport	Preferred Port	Courier Restriction			
Shanghai	Shanghai None				
	ol Technologies (Shanghai) Co., Ltd				
Means of Transportation	Address				
Air/Ocean/Courier	No. 500, Bingke Road Part of AC-7, 4th floor 200131 Shanghai-Waigaoqiao Free Trade Zone China				
Preferred Airport	Preferred Port	Courier Restriction			
Shanghai PVG	Shanghai	None			
Baker Hughes Sensing & Inspection	on (Changzhou) Co., Ltd.				
Means of Transportation	Address				
Air/Ocean/Courier	No.9 Building, Jintong International Industrial Park, No.8 Xihu Road, National New & High-tech Industrial Development Area, Wujin. 213164 Changzhou, China				
Preferred Airport	Preferred Port	Courier Restriction			
Shanghai PVG	Shanghai	None			
Baker Hughes Oil & Gas Pressure					
Means of Transportation	Address				
Air/Ocean/Courier	No.58 Jinjiang Road Sip, Jiangsu Province, 215126 Suzhou, China				
Preferred Airport	Preferred Port	Courier Restriction			
Shanghai PVG	Shanghai	None			

3. Incoterms		
Means of Transportation	Incoterms	
Air	FCA/CIF/DAP	
Ocean	FCA/FOB/CIF/DAP	
Courier	FCA/CIF/DAP	
Remark: Any terms must get the approval of Baker Hughes Customs Team before shipment.		

4. Billing address		
Receiver	Baker Hughes Invoice Scanning Center	
Address	Room 202, 2F, No.2 Xingzhan BLD, No.20, Lane 185 Liuying Road, Jing'an District, Shanghai,	
	China	
Zip Code	200072	
Contact	(8621)66277026	

Suppliers must refer to PO/Contract for billing information.

5. Radioactive/Explosive/Chemical/Sample/Repair/Temporary/Used Goods shipments/Hand Carry

Radioactives/Explosives:

• Provide proper license/certification issued by a relevant government body and the packaging requirements in compliance with international standards and China local regulations.

Chemicals:

• Provide MSDS along with the customs invoice.

Samples:

• Provide samples explication papers for customs clearance.

Repair Shipments:

- · Provide import permit for used material.
- Documents required for importation review:
 - Consistency of net weight / series number
 - Repair agreement
 - Original export declaration sheet to customs
 - o Green light from Baker Hughes China Customs Team

Temporary Shipments:

- Apply HS code classification, to check the customs supervision condition.
- Documents for importation review:
 - Statement of temporary import/export
 - Temporary import/export agreement
 - Application forms of customs
- · Green light from China customs team

Used goods:

- Apply HS code classification, to check whether the used goods are prohibited importation or need preshipment inspection certification.
- Documents for importation review:
 - o Original invoice of new goods or other original price proof documents
 - o Depreciation formula (Including: Manufacture date, Used life).
 - China customs acceptable depreciation formula: Valuation of old equipment = original price of new machine - (original price of new machine - remaining value) * used life / limited-service life
- Packing list
- Explication paper for used goods importation
- Other documents required by customs
- Green light from China customs team

Handy Carry:

Allowed in exceptional circumstances but strongly discouraged.

Note: Hand carry of Baker Hughes owned/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 for more information.

External Suppliers shall contact and confirm with customs COE of the site before shipping and reach out to their Purchasing specialists for instructions regarding Radioactive, Explosive, Chemical, Sample and Repair shipments.

6. Restricted Materials				
Site	Material Number	Name	HS code	Reason
DMS	4903193	微动开关	8536500090	NO CCC
DMS	400145258-999- 0000/496-755	限位开关	8536500090	NO CCC

7. Any material needs to be segregated?

Need to confirm it before shipping with site Baker Hughes Customs Team

8. Requirements for Commercial/Shipping/Customs Invoice

- Full name and address of consignee
- Date and invoice number
- Shipment quantity
- Full description of goods (unit/quantity, part number, serial number)
- Unit and total price for goods on the invoice
- Net weight and gross weight for each part
- PO number
- Incoterm
- Cost of goods, insurance, and freight
- Country of Origin (consistent with the labelling on the goods)
- Accurate BOM list along with commercial invoice and packing list (indicating P/N, quantity, unit price, COO, net weight for each part) for any shipment containing KIT
- Others need to be confirmed before shipping.

Please refer to Appendix A – Commercial Invoice for more information.

9. Requirements for Packing List

The net weight of each item in packing list must match the physical goods. Please refer to Appendix B – Packing List for more information.

10. Packing Instructions

- Packing instructions must comply with Baker Hughes' requirements and all regulatory standards.
- Label should be on the packing, showing PO number/part number/ quality/COO.
- · Packing list should show container Number.

Please refer to Appendix C – Requirements Examples for more information.

Note: Suppliers should refer to sourcing and procurement for further instructions in case of project specific requirements.

11. Forwarder's Instructions

- Baker Hughes qualified broker should be used for import customs clearance.
- Pre-alert is necessary for import goods and should be sent to Baker Hughes Customs team in China and brokers in advance.
- For air shipments, forwarder should send out the pre-alert before goods' arrival, while for sea shipments, forwarder should send out the pre-alert one-week advance before goods' arrival.

12. Required Documentation		
Document Description	Quantity	Comments/Additional Information
Shipping Invoice	1	
Packing List	1	
Airway Bill/Ocean Bill of Lading	1	
Export Declaration		
Security Certificate	1	For dangerous goods, Security Certificate is needed.
Certificate of Origin	1	For goods subject to FTA, anti-dumping, or required by customs, Certificate of Origin is needed.
DGD (Dangerous Goods Declaration)	1	
SDS (Safety Data Sheet)	1	For Chemical goods, SDS is needed.
Certified Invoices	1	FTA Goods
Legalized Documents	1	Depending on customs requirements
Heat Treated Certification	1	For wooden packing, Heat Treated Certification is needed.
Form M	1	FTA Goods
NAFTA or FTA documents	1	For NAFTA or FTA goods, relating documents are needed.
Others	1	Depending on customs requirements

13. Required Approvals

Site	Approval	Yes/No	Comments/Additional information
DMS	Green Light Approval (Freight) Required	Yes	Courier approval criteria: <=70kg: ship small pack AIR > 70kg: ship HEAVYWEIGHT AIR Airfreight approval criteria: 71-200kg: ship HEAVYWEIGHT AIR, without approval required. >200kg with AIR mode: Airfreight cost <= USD 2500 - approvals from Logistics manager USD 2500 <airfreight -approvals="" 10,000="" <="USD" airfreight="" cost="" from="" manager="" material=""> USD 10,000 - approvals from DMS Plant Manager</airfreight>

14. Legal Due Diligence Database (LDD) (For Baker Hughes Use Only)

All international freight shipments should only use vendors from "The Approved Vendor List." Please contact Sr Logistics Manager for an approved vendor list.

Appendixes

- Appendix A Commercial Invoice.
- Appendix B Packing List.
- Appendix C Requirements Examples.

Appendix A - Commercial Invoice

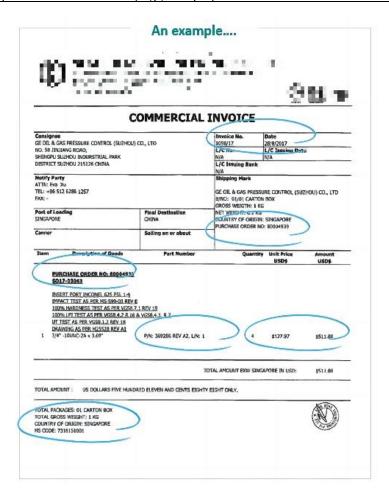
Key Requirements

Mandatory data elements

- 1. BH's Part number and description (specification, brand, model) for each item
- 2. Country of origin for each item
- 3. BH's Purchase order (PO) number
- 4. Quantity, currency, unit price and total value

Other basic data elements

- 1. Invoice number and date
- 2. Buyer's name, address and contact info
- 3. Manufacturer's name and address
- 4. Ship-to/Bill-to name, address and contact info
- 5. Incoterms and payment terms (TT or L/C)
- 6. Statement of clarification (if new/secondhand part)
- 7. Indication of any exceptional circumstances (e.g., sample)



Appendix B – Packing List

Key Requirements

Mandatory data elements

- 1. Part number and description for each item
- 2. BH's Purchase order (PO) number
- 3. Package type (carton, wooden, crate, plastic etc.)
- 4. Quantity, net weight for each item

Other basic data elements

- 1. Invoice number and issue date
- 2. Adequate detail of contents for each item
- 3. Total piece count (e.g., 1 pallet containing 20 cartons)
- 4. Total package quantity and gross weight
- 5. Wooden package declaration (if packed by wooden material)



Appendix C – Requirements Examples

Wood packaging - The Integrated Pollution Prevention and Control (IPPC) mark

- IPPC mark must be visible on the pallet at least on <u>two different sides</u> and be printed clearly without ink missing, un-clear marks or indistinct characters.
- The Chinese government does not accept any marks other than the official IPPC.
- Try to avoid wood package & IPPC and use alternative plastics clad/plywood package.





China compulsory certificate (CCC)

CCC is used for the safety & quality control of some goods imported into China. Products not meeting CCC requirements may be held at the border by customs and may be subject to penalties.

Products listed on "CCC" catalogue are forbidden to import w/o CCC.

CCC wavier:

- 1. Product imported for R&D and testing purpose
- 2. Product imported for repair purpose of final user
- 3. Product imported for commercial exhibition and not for sale
- 4. Product temporarily imported and exported out of China afterwards



Material Safety Data Sheet (MSDS)

- According to China customs regulation, if the goods are chemical products or battery, MSDS certificate is required from suppliers.
- MSDS must use destination country's language.

