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Product Compliance

- Items will be used in all Mexican states where Lowe's operates retail stores
- All items must meet federal, state and local regulations to be sold to our customers in Mexico
- It is vendor's responsibility to ensure compliance
- Lowe's Mexico will work with you and assist your teams go through the process needed to comply with these regulations

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Merchandising Business Policies

- Planograms

- Mexico Store Planning will develop all Planograms for Mexico stores
- Marketmax is being used to create planograms
- It is very important to provide us with accurate product information for Planograms (product dimensions, weight, cube, etc)
- Display fixtures which are vendor's provided should be coordinated with your Merchandising Manager and the corresponding Store Planning Specialist
- POP such as flyers that will be provided should be coordinated with your Merchandising Manager and Store Planning Specialist to be included in POG
- A small POG facility is located in Monterrey to support planogram development, when required you should provide product samples as requested by Mexico Merchandising

- Store Setup

- Support will be requested to have every displays, fixtures and POP which are vendor provided on time for successful store setup according to schedule
- Exact dates will be provided when ordering these materials

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Product Liability Insurance

- Required from all vendors selling, manufacturing or distributing products to Lowe's
- Insurance must be written by insurance company authorized to do business in the US and the United Mexican States
- Insurance shall include Lowe's Companies Inc. and any and all subsidiaries in the US and abroad as additional insureds
- All certificates of insurance should be sent to our insurance compliance contractor prior to providing any products to Lowe's Mexico

Attn: Insurance Compliance, P.O. Box 12010-LW,
Hemet, CA 92546-8010

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POP Signage

- Wayfinding signage - Lowe's Mexico will continue to design and supply all permanent store signage
- In-bay POP - includes signs supplied by vendors and approved by Lowe's Mexico as well as signs developed by Lowe's Mexico supported by vendors
- In order to link corporate wayfinding signage to in-bay POP, Lowe's Mexico has implemented the use of the Blue Bar as a predominant graphic element on Lowe's Mexico signage
- In-bay POP should be product-related signage to provide clear, applicable, and educational information for customers in a straightforward, well-designed format. Must be approved by your Lowe's Mexico Merchandising representative
- Vendor is responsible to inform Lowe's Mexico Marketing when a new product line or product change that will affect photography or copy (i.e., color change, new feature, warranty information change, etc.) has been approved by your Lowe's Mexico Merchandising representative

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Hazmat Products

- If your product requires MSDS, please submit documents to:
 - Infotrac, Lowe's Mexico
- MSDS documents must be provided in English and Spanish
- Vendor is responsible to provide MSDS documents to comply with all federal, state and local laws to transport, export/import and sale to the public
- Questions should be directed to:

Damon.M.Chappell@lowes.com

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Sample shipments

- Product must be cleared at Customs. Shipment will be treated as International shipment
- Invoice, Packing List and Certificate of Origin are required. Review Customs requirements and restrictions in Sample shipment document. Provide documents to MexicoSC@lowes.com
- Any small parcel shipment must be shipped with “free domicile” term
- Support is provided for LTL shipments in Laredo, TX. Contact Lowe’s Mexico Supply Chain for additional information

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Ordering

- All Purchase Orders will be generated in Lowe's Mexico. Different orders and processes will be created for merchandise and non-sellable products
- Purchase Order for non-sellable products will be sent manually
- Fixture and Display Vendors – the process for assigning part numbers is TBD and will be communicated to you shortly.
- Revise entirely the initial order to make sure all information is correct. Do not ship if PO is not correct
- Lowe's Mexico does not accept backorders, substitute items and late shipments
- Special requirements are applicable for any event that causes delays in shipping dates, and changes or discontinued products

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Cross Border Documentation

- Commercial Invoice is required for each purchase order of non-sellable product (assets, fixtures, displays, consumables, etc.) as soon as product is shipped. Contact your Lowe's Mexico Supply Chain to review invoicing process for Customs purposes. Provide invoice to MexicoSC@lowes.com
- Packing Slip is required per Purchase Order. Document must be machine printed and legible to user. Packing slip must be clearly located in a plastic "packing slip enclosed" pouch on the exterior of the first carton
- For wood products, Letter of Treatment with the specifications of the treatment and humidity that your products contain is required for each purchase order. Provide letter to MexicoSC@lowes.com as soon as product is shipped

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Invoice for Customs

- Lowe's Mexico will work with Mexican Custom brokers to define products and assign HTS Codes that will be used into clearance process
- Lowe's Mexico prefers to declare complete projects instead of small and details components
- Lowe's Mexico requires a Vendor Invoice with Lowe's defined products (projects or components) for Customs purposes
- Mexico Supply Chain will provide products, HTS Codes and instructions to vendors once product list is finalized
- Please contact MexicoSC@lowes.com for any comment or question related to Invoices

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Cross Border Documentation

- Certificate of Origin is required for all products (merchandise and non-sellable)
- Certificate of Origin must contain country of manufacturing.
- Certificate must be valid for one calendar year (1/1/2009 to 31/12/2009). Use Gregorian calendar
- For products with origin in US, CA and MX, a Certificate must be provided with correct Nafta format. For any other country, a certificate in general format must be provided. Instructions are presented within certificate format and Cross Border document
- Vendor must renew certificates every Nov-15th for each year. Please provide certificates to MexicoSC@lowes.com
- Any change to country of origin for products sold to Lowe's Mexico must be notified in advance and present a new certificate to MexicoSC@lowes.com

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Certificate of Origin

- Certificate of Origin will be generated based on defined products and HTS Codes after the classification process in Mexico
- Mexico Supply Chain will provide products, HTS Codes and instructions to vendors once product list is finalized
- Please contact MexicoSC@lowes.com for any comment or question related to Certificate of Origin

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DC Information

- Vendor must ship Lowe's Mexico orders to the following location:

Laredo, TX Facility

Operated by Kuehne & Nagel

12018 Auburn Road, Suite 4

El Portal Industrial Park

Laredo, TX 78045

Phone: 956 727-4965

Contact: Johny Araiza

Receiving hours: 9:00AM to 4:00PM



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Transportation Requirements

- Please notify Lowe's Mexico Planner if PO has incorrect freight term or shipping date
- Suppliers are allotted 2 hours of free time for loading truckload shipments
- For all prepaid shipments, vendor's carriers are required to notify the estimated delivery date and time at the Laredo facility at least 48 hours in advance of shipment. No appointments are required for deliveries to Laredo facility
- Lowe's Mexico does not accept backorders

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Transportation Requirements

- For Collect Truckload shipments, vendor must provide pick-up appointments to MexicoSC@lowes.com no later than 72 hours prior to the scheduled ship date
- Lowe's Mexico SC will confirm appointment and carrier name
- Vendors are required to use 53' trailers on all Truckload shipments
- All Collect and Prepaid truck-load shipments must be sealed at the vendor's dock, and the seal number recorded on all copies of the Bill of Lading

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Transportation Requirements

- Lowe's requires that all inbound LTL shipments (Collect and Prepaid) be routed on the Lowe's Mexico Core LTL carrier confirmed by Lowe's Mexico Supply Chain
- Vendor is required to request the shipment pick-up directly using Lowe's Mexico designated carrier. No pick-up appointments need to be provided to Lowe's Mexico
- Accumulation of LTL shipments is not allowed
- Bill of Lading must contain all Lowe's purchase order numbers in the shipment

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Transportation Requirements

- For Small Package shipments, shipping label is required for each carton, including PO number
- The ship-to address label must be placed on the top of the carton
- The total number cartons shipped must clearly be referenced on the packing list, bill of lading, invoice, and shipping label
- If one carton contains two or more different products, the carton must be labeled with a placard "MIXED CONTENTS"

Packaging

- All Inner Packs and Master Cartons must be sealed to eliminate potential of accidental opening
- Vendors should ensure that cartons are compliant with the International Safe Transit Association testing protocols to avoid damages
- Staples should not be used on Master Cartons or Inner Packs
- The use of metal banding is not allowed for safety reasons
- Handling Icons must be used based on product specifications
- When unitizing pallets, place cartons of the same item together on the pallet by the quantity amount ordered

Packaging

- Liquid items will be conveyed upright and should be labeled with the “Liquid” icon
- Additional packaging specifications are required to grills, toilets, vanities, ceramic tile, patio furniture, shower doors and bird seed
- Vendors must use pallets that conform to Lowe’s Pallet Specifications. 4-way entry pallets are required. Fumigated and certified pallet with correct standard marking is required
- Pallet Label for each pallet is required
- Vendors must use a Lowe’s approved mini-pallet
- Stretch wrap all individual pallet to the base of the pallet with sufficient stretch wrap to prevent the product from shifting in transit.



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Product Support Materials

- Green Tape “Signage Fixture & Display” is required
- Red project label and red shrink wrap is required for each pallet
- Instruction Sheet, detailing installation location and mounting directions, must be included in each individual carton
- Departmental Color Coded label is required based on department matrix for each carton or pallet
- Do not mix merchandise products with product support materials. These shipments will be managed with a totally different processes

Billing Requirements

- Selling and billing from your US company to Lowe's Mexican companies

- Non Merchandise (Assets, Fixtures, Displays, Consumables, Product Support Material, etc.)

- Bill to: Lowes Companies Mexico, S. de R.L. de C.V.

- Email a copy of the invoice to:

MexicoAP@lowes.com

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Billing Requirements – Non Merchandise

- Review Billing Requirements for complete details
- Bill and Ship in same unit of measure as ordered
- One invoice per Location and Purchase Order
- Include Location, PO, and Vendor numbers on the invoice
- Invoice only for product that was shipped
- Notify Lowe's Mexico Buyer of Pricing Discrepancies BEFORE shipping and invoicing the PO
- Vendor must email a copy of the paper invoice to Lowe's Mexico Supply Chain for customs clearance purposes **as soon as the order is shipped**
- Reference "Cross Border Documentation" requirements in the Lowe's Mexico Partnership book
- Email a copy of the invoice to

MexicoAP@lowes.com

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Billing Requirements

- Due Date: Date on which payment is created, not the date payment is received by the vendor
- Discounts will still be applied to payments not released due to vendor being in a debit balance
- All Payments made to US vendors will be made in USD via EFT
- Contact MexicoAP@lowes.com for payment and invoice inquiries

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Discrepancy & Liability Guidelines

- Review Discrepancy and Liability Guidelines document for details on shipping and quantity discrepancies

Same Guideline as Lowe's US

- Email documents to MexicoAP@lowes.com with any additional chargeback documentation

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Lowe's Contact Information

- Only with Lowe's Mexico

Merchandising

MexicoMerch@lowes.com

Supply Chain

MexicoSC@lowes.com

Marketing

MexicoMktg@lowes.com

Finance

MexicoAP@lowes.com

Procurement

Servicios@lowes.com

- Contact with Lowe's Mexico and Lowe's US

Product Liability Insurance

Mary.L.McNeilly@lowes.com

Hazmat

Damon.M.Chappell@lowes.com

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