

Logistics Guide @ heyconnect (03/2024)



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Foreword

The logistics guide is a supplement to the contractual agreement between the partner and **heyconnect**.

On the part of the online platforms, **heyconnect** receives strict specifications and must meet certain performance parameters. These are the prerequisite for increased visibility and thus a higher sales volume on the platforms.

Logistics is thus an important key to increasing competitiveness on online platforms. For this reason, the establishment and optimisation of efficient logistics processes is the basis of the cooperation between the partner and **heyconnect**.

In order to ensure smooth goods receipt and goods collection, compliance with our delivery guidelines is imperative. Please also pass on our delivery guidelines to your suppliers as binding instructions. Special arrangements are only possible with prior and explicit approval by **heyconnect**.

1 Stock allocation

Early on in the onboarding process, our Customer Success Management will ask you to complete the Logistics information form for new customers via the service-hub ticket. The information requested via the form serves as a basis for planning warehouse capacities and checking article labels.

Please enter realistic averages so that we can get a feel for how much goods and in what dimensions you are planning with us.

It is particularly important to state whether we should store dangerous goods for you. You can find more information on this in the chapter "Miscellaneous".

In addition to the logistics information, another basic requirement for the first delivery of goods is the prior creation of the article master data in the iPim. Please note the applicable lead times, which are defined in the chapter "Delivery".

2 Product packaging

2.1 Article description

The barcode, the 13-digit EAN and the article number must be clearly legible. The barcode must have the minimum size of 40 x 10mm (W x H). The article labels must be attached flat and clearly visible to the outer article packaging. Place the article labels on the largest surface of the article. For hanging items, please use the top third of the item. For shoes or other items in a square item packaging, the front side can also be used. Alternatively, hang tags can be used if there is transparent item packaging. Ideally, there is hang tag on the item and the product label on the item's packaging. All optional details speed up picking and help in processing clarification cases.



Mandatory information:
- bar code (min. 40mm wide)
- 13-digit EAN
- article number

Optional:
- brand name
- brief description
- dye
- size

In the case of prefabricated set articles, only the labelling of the set is permitted. Visible labelling (EAN, article number...) of the individual set components is not permitted.

2.2 Delivery units and outer packaging

If possible, only use loose parcel shipping if you do not send more than 10 cartons to us. These shipping units should not weigh more than 20 kg each. From a delivery of more than 10 boxes, you should use a pallet shipment via a carrier of your choice.

The delivery of palletised goods is only permitted on undamaged Euro pallets in accordance with DIN 14156-3. The goods may not protrude laterally beyond the Euro pallet (1,2m x 0,8m). A total pallet height of 1.8m must not be exceeded. Damaged or non-original Euro pallets are considered disposable pallets and will not be exchanged. The disposal of such pallets may be charged separately. One-way pallets will only be accepted by prior arrangement. Grid boxes, plastic or aluminium pallets are not permitted for reasons of storage organisation.

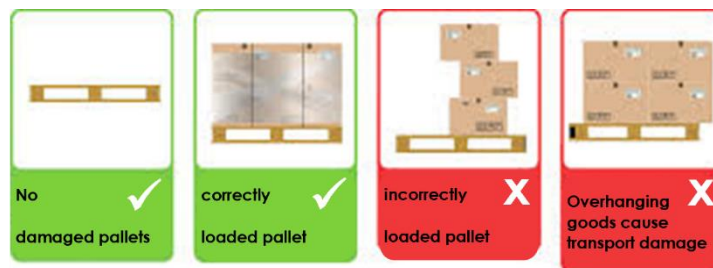
For textile deliveries, shipments of hanging goods can only be accepted after prior consultation. Please indicate hanging goods imperatively in the delivery notification.

The outer packaging (carton, pallets) must be clearly marked. The addressee, delivery number and number of units used must be evident. In addition, general requirements such as sufficient transport and storage handling protection must be ensured. In particular this includes, that each outer packaging is tightly closed and that the articles are adequately secured against damage by pressure, impact and falling.

Each item (per unit) must be individually packaged and labelled. A transparent polybag or an equivalent alternative can be used for this purpose. If you do not wish to use transparent item packaging, please consult your partner manager.

Fragile and sensitive goods must be packed in a break-proof manner and marked accordingly. If the goods or packaging are visibly damaged, the packages concerned may be refused acceptance and loaded back onto the delivering vehicle. Overloading of the pallet is not permitted.

The following illustration is intended to clarify the difference between a proper delivery and a non-conforming delivery:



3 Warehouse addresses and acceptance times

3.1 FOR Log Berlin GmbH & Co.

Address

heyconnect GmbH
c/o FOR Log Berlin Log Berlin GmbH & Co.
Havellandstr. 6
DE-14656 Brieselang

Acceptance time:

- Forwarding deliveries: Monday to Friday from 6:00 a.m. to 5:00 p.m.
- Parcel/CEP deliveries: Monday to Friday from 6:00 a.m. to 5:00 p.m.

4 Delivery

4.1 Lead time and delivery requirements

As mentioned at the beginning, the prerequisite for a delivery is the prior text content delivery to **heyconnect**. A deadline of at least five working days before the planned delivery applies here.

4.2 Delivery notification

The delivery notification is made via the Purchase Orders in our Control Center: [Control Center \(heyconnect.de\)](https://heyconnect.de)

The Purchase Orders is a self-service tool developed by **heyconnect** for monitoring, updating and controlling deliveries from suppliers. It also serves as an information system, allowing the supplier to update the progress of a delivery and storage at any time.

- To ensure a timely delivery of the goods, **heyconnect** actively sends a delivery release within 2 business days to the email address provided as the notification email.
- Your requested delivery date may differ from the actual approved delivery date by a few days.
- Delivery without prior approval is not possible. Unannounced deliveries will result in the refusal of acceptance.
- All freight deliveries must be announced in advance to the logistics service provider, specifying the freight carrier's company name for a specific working day.
- Regular deliveries of consistent quantities are generally possible and welcome.
- All goods receipts of unknown or unannounced goods will be invoiced separately.

If you do not yet have access to the Control Center, please provide us with a main contact person from your company in the Service Hub.

After creating your user, we will send you your access credentials along with the link to the Control Center. You can easily open the tool using any web browser.

In Chapter 5 of the Control Center Guide, titled "Purchase Order Tool", all process steps required for the delivery notification are summarized. Please familiarize yourself with the application of the tool before using it for the first time:

[Control Center Guide](#)

4.3 Shipping documents

Each delivery must be accompanied by freight documents (delivery note/waybill, packing list if applicable). For international shipments (outside the EU), a CMR waybill is also required. If these are missing, we reserve the right to refuse acceptance. The freight documents are prepared by the carrier for easier identification of the consignments and handed over to the logistics service provider upon delivery.

An inbound delivery can consist of several shipments or several delivery notes or several waybills. The freight documents serve as a handover document to the logistics company and must contain at least the following information:

- Name, company name and address of the supplier/carrier
- Name and address of the consignee
- Listing of the sent articles
- Number of boxes / pallets
- Specification of the pallet type
- Total weight of the consignment

4.4 Requirement delivery vehicle and driver

Pallets must be loaded in such a way that safe unloading from the rear of the vehicle is possible with the help of electric pallet trucks. If proper unloading is not possible, **heyconnect** assumes no liability for any damage occurring during unloading.

The driver must wear a yellow or orange high-visibility vest when entering the premises. Safety shoes must also be worn in the warehouse area. The logistics service provider does not carry out any movements on third-party goods in order to be able to unload goods intended for the logistics centre. This is done exclusively by the driver.

4.5 Franking

Delivery must always be made "free domicile".

4.6 Customs procedures shipping from a country outside the EU

In this section we give you instructions that are essential for a trouble-free import of your goods into the EU and acceptance by our warehouse.

Basically, the following will be valid: Although your goods are stored in one of our warehouses, the goods remain your property for the entire period. Therefore, **heyconnect** will only accept

the goods at the destination specified by **heyconnect** - the customs procedures and tax payments are your responsibility as always.

When transporting goods across the European border, the following must be noticed:

4.6.1 Delivery condition for customs declaration is Incoterms 2020 DDP (completely duty paid // delivered duty paid)

The seller/consignor makes the goods available for unloading at the named place of destination. The seller/consignor bears all costs and risks associated with transporting the goods to the destination and is obliged to pay all export and import duties and to complete all customs formalities. In particular, this means that the seller or the sender has to bear all import duties in the EU himself.

Please note: **heyconnect** is not the importer of the goods and therefore not part of the customs process. For this reason, we ask for your understanding that **heyconnect** will not provide an EORI number for the carrier. Please contact your forwarding agent or customs service provider directly.

4.6.2 Partner for customs declaration and delivery in Germany

When importing goods, companies are often represented by specialized service providers such as freight forwarders, carriers, customs brokers or other logistics service providers. In principle, such service providers act as direct representatives for their clients (sellers/consignors from non-EU countries). The representative acts in his own name and on account of the seller/consignor based abroad. The EORI number of the representative is therefore usually given for the customs declaration, because he is responsible for all customs and tax obligations and payments, even retrospectively.

4.6.3 Necessary documents for the customs authorities for customs declaration

The following documents are generally required for customs clearance:

- Commercial Invoice
- shipping documents
- Declaration of detail on customs value
- Delivery note including listing of the packages

Please contact your service provider for more information on the import procedure. The service provider will advise you on all the necessary documents for import into Germany. **heyconnect** only requires the delivery note and shipping documents upon delivery.

4.7 Marking and allocation of delivery units

The delivery must always be made in accordance with the delivery note. This assignment should be clearly marked in each case. In detail this means:

- Logo or brand name visible on boxes/pallets
- Quantity of delivered boxes/pallets + numbering of cartons
- Packing of the boxes/pallets sorted by article variants as per delivery note
- For parcel delivery:
 - o Delivery note clearly visible attached to the boxes or delivery note inside a box with clearly visible indication in which box
 - o Simultaneous dispatch of all boxes according to delivery note
- For pallet delivery:
 - o Delivery note clearly visible attached to a pallet or delivery note handed over personally by the driver upon delivery of goods.

5 Receipt and storage of goods

5.1 Receipt of goods and liability

Acceptance of goods shall only take place with reservation and upon presentation of the delivery note. Only the number of delivered packages (pallets, cartons, etc.) is acknowledged.

heyconnect has obvious defects confirmed by the carrier on the consignment note.

In some cases, there may also be transport damage to an item that is not apparent at first glance as transport damage. In these cases, **heyconnect** will document the damage (including photos). This information is then made available to the partner and further steps are coordinated.

5.2 Storage receipts

During processing, the partner is able to view the quantity already stored live in the Avistportal. Once the storage has been completed, **heyconnect** automatically sends a storage confirmation by e-mail via the notification tool.

Possible processing of clarification cases delays the automated dispatch of the storage confirmation.

5.3 Responsibilities

The **heyconnect** employees are responsible for monitoring compliance with the described guidelines. They register the detected deviations and summarize the deviations in a notice of defects. The notice of defects is made available to the client by e-mail shortly after the detection.

6 Returns processing

6.1 Receiving and processing returns

heyconnect receives a return delivery from the commissioned carriers every working day (Mon-Fri).

The standardized returns processing includes a visual inspection for intactness, completeness and resalability. A functional inspection (e.g. for electronics) cannot be implemented.

If necessary, the goods are processed before storage. This additional processing requires a further 24 hours. Steamer, stain remover (for light stains, such as water), lint rollers and shoe brushes can be used for preparation.

Further preparation options can be carried out, if necessary, after prior consultation with your partner manager.

Hygiene articles (e.g. underwear, beauty articles) cannot be reprocessed.

After successful reconditioning, the items can be restocked and resold.

6.2 Non-saleable returns – C-goods

Items that cannot be successfully reconditioned are temporarily stored in the warehouse as so-called C-goods by our returns department.

The items are bundled in collection boxes and returned to you by prior arrangement or if stock levels are high.

You can also request the items yourself via a retrieval service.

Alternatively, heyconnect can also offer destruction by prior arrangement.

7 Other special charges

Subsequent processes represent an additional expense and will be invoiced separately.

If the supplier does not comply with the above-mentioned conditions, **heyconnect** reserves the right to charge the storage and logistic costs caused by the additional effort according to the contract.

7.1 Stock Removal

7.1.1 Lead times

Please plan a sufficient lead time for your stock removal, ideally two weeks in advance. The desired stock removal date should be at least 2 business days after the submission of your request. Weekends and holidays are not considered in the processing time.

It should be noted that the size of the stock removal can influence the duration of the actual processing.

7.1.2 Request for the return shipment of items

The requests for the return of items is made through the Destock Tool in our Control Center: [Control Center \(heyconnect.de\)](https://heyconnect.de)

Please consider the following when requesting stock removals:

- All mandatory fields must be filled out, otherwise, a stock removal request cannot be created.
- An incorrect item overview with the status "unknown" can lead to delays in the return.
- To ensure a stock removal of goods, **heyconnect** actively sends a stock removal confirmation within 2 business days to the email address provided as the notification email in the respective Avis.
- Your requested stock removal date may differ from the actual goods issue date.
- The selection of the shipping method (pickup versus shipping by **heyconnect**) is binding during the request and cannot be changed after the confirmation of the stock removal date.
- In the case of **heyconnect** shipping, after the goods are made available, it will be decided which shipping option (DHL shipping versus freight) is the more cost-effective option for the partner.
- Special opening hours for delivery should be entered in the comment field.
- All pickups, including those by third-party carriers, must be announced in advance to the logistics service provider for a specific working day.
- Communications regarding any clarification cases during the stock removal process will be conducted through the Service Hub.

All process steps for stock removal are detailed in Chapter 6 "Destock" of the Control Center Guide. Please familiarize yourself with the application of the tool before using it for the first time:

[Control Center Guide](#)

7.1.3 Handling of goods returned damaged in transit

If there is transport damage to one or more of the items, it is important in these cases to document the damage well. Again, it is important: to take photos of the damaged item, the packaging material and the outer packaging and to keep all parts of the shipment.

heyconnect can claim the transport insurance from the Carrier with the help of this documentation. The package (outer packaging incl. contents) may have to be made available to the Carrier for inspection.

7.2 Transfers / clarification cases

In case of over-delivery or other clarifications (e.g.: delivery of articles without prior text content receipt) compared to the delivery notification, **heyconnect** reserves the right to charge for these additional expenses and standing times in the incoming goods area according to the logistics costs.

7.3 Product labelling / Labelling

Individual articles which at first glance do not have a barcode are subsequently provided with a label by **heyconnect** employees and invoiced as additional expenditure.

If it is noticed in the incoming goods department that an incorrect EAN is attached to the article, the labels will be reprinted and attached to the article. Each labelling represents an additional expense and will be invoiced separately in accordance with the contractually agreed conditions.

Additional expenses that exceed the normal standard (unit price) will be charged at the hourly rate agreed in the contract (pro rata).

Partners of **heyconnect** will be informed by their partner manager.

7.4 Set building

Articles offered as a set, which are not delivered as a set, can be combined into sets at individual logistics locations (**heyconnect** Hamburg only), repackaged and provided with a product label.

It must be clarified in advance (before delivery) which SKUs must be formed for which sets. Please contact our partner management for this.

Each step of the set formation represents an additional expense and will be charged separately according to the contractually agreed conditions. Partners of **heyconnect** will be informed by their contact person.

8 Service Level Agreement (SLA)

The Service Level Agreement only applies to deliveries made in accordance with points 1-4.

All other shipments (including special expenses) are processed according to available capacity.

8.1 Incoming goods

- Delivery < 300 parts = 99% of the articles are stored within 48 hrs.
- Delivery 300 to 1.000 parts = 99% of the articles are stored within 72 hrs.
- Delivery of 1,000 to 4,000 parts = 99% of the articles are stored within 96 hours.
- Delivery > 4.000 parts = 99% of the articles are stored within 120 hrs.

Only working days apply. Weekends (Saturday and Sunday) are excluded.

The storage status is considered here purely logistically. Availability on the online marketplaces is not considered in this context.

8.2 Order processing

98% of the orders received by 12 noon (on average on a weekly basis) are processed ready for dispatch and handed over to the transport company within one working day.

8.3 Returns processing

96% of all returns (on average on a weekly basis) are processed within 24 hours of receipt of the return and the stock is posted to the system.

The periods apply outside of sale and promotion periods.

9 Other

9.1 Volume planning

For the capacity and area planning of the warehouses, a query is made every three months for the coming six months. Each partner of **heyconnect** is obliged to report the quantities within two weeks after the query by **heyconnect**.

Underplanning or completely missing quantities may lead to unavailability of necessary space. On the other hand, strong overplanning leads to cost-intensive empty capacities, which the logistics companies charge to **heyconnect**. **heyconnect** reserves the right to charge these costs to the partner concerned. Therefore, planning should be as precise and coordinated as possible in order to ensure a smooth planning and delivery process.

9.2 Inventory

An inventory can be taken once a year by the **heyconnect** partner at the agreed conditions. It is carried out in the form of a key date inventory.

The partner must actively request the inventory at least four weeks before the balance sheet date. It should be noted that no more deliveries should be made from 10 working days before the inventory date in order to avoid potential clarification cases in the incoming goods department. If necessary, these deliveries will not be included in the inventory.

heyconnect will provide the customer with an inventory report in xlsx format within 2 working days after the inventory date, in which any difference quantities occurring at SKU level can be seen.

Inventories are only possible within working hours (Mon - Fri).

9.3 Handling of dangerous goods

If you want to sell dangerous goods through **heyconnect**, it is mandatory that you provide a safety data sheet in German language for each of the articles concerned according to the guidelines of the REACH Regulation (EC) No 1907/2006.

heyconnect checks these safety data sheets at the given logistics locations and issues a release or a ban to store the items. A restriction to a certain storage quantity is also possible.