

Sleep Number Supplier Logistics Manual (SLM)

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Contents

1.0	Introduction	3
1.1	Supplier Manuals	3
2.0	Scope	3
3.0	General Expectations	4
4.0	Packaging	4
4.1	Pallets.....	4
4.1.1	Size and Construction	4
4.1.2	Load Design.....	5
4.2	Shipping Cartons	6
4.3	Plastic Bag and Film Requirements	6
4.4	Packing Slip Requirements	7
5.0	Labeling	8
5.1	Size and Layout.....	8
5.2	Barcodes.....	8
5.3	Pallet Labels.....	9
5.4	Product Labels	10
5.5	Non-Standard Product Identification Labels	11
6.0	Retail Shipments.....	13
7.0	Drop Shipping Packaging and Labeling.....	13
8.0	Transportation	14
8.1	Supplier Transportation Responsibilities	14
8.2	Domestic Routing Requirements	15
9.0	International Shipments.....	15
9.1	Documentation	16
9.2	Document Timing.....	16
9.3	Commercial Invoice.....	17
9.4	Packing List.....	18
9.5	United States-Mexico-Canada Agreement (North American Suppliers)	19
9.6	Country of Origin.....	19
10.0	Definitions.....	22
11.0	Revision History	23
12.0	Appendix A – Label Templates.....	24
12.0	Appendix B – Label Placement.....	29

1.0 Introduction

This manual defines the logistics practices and general guidelines expected of Suppliers who are doing business with Sleep Number Corporation (“Sleep Number” or the “Company,” including any affiliates or subsidiaries). This manual outlines requirements to ensure that Sleep Number’s supply base is providing top-level performance while following guidelines and procedures. It is the responsibility of the Supplier’s leadership to ensure compliance with this manual.

Sleep Number recognizes that Suppliers are instrumental in meeting the commitment to obtaining on-time, defect-free products to the end consumer. The goal is only achieved by attaining a collaborative relationship based on mutual trust, respect, and open communication.

1.1 Supplier Manuals

Overview: Sleep Number governs its business, quality, and logistics processes through a set of Supplier manuals that work in conjunction together.

Description: Suppliers should reference the following manuals:

- Supplier Business Manual (SBM) – outlines how Sleep Number conducts business and our expectations for Suppliers to create a strong, competitive, and value-added supply chain.
- Supplier Quality Manual (SQM) - provides an overview of Sleep Number’s standards and expectations to ensure higher quality and efficiency.
- Supplier Logistics Manual (SLM) - provides the standards and expectations of supplying parts to Sleep Number, including the processes for delivery, labeling, logistics, and packaging.

2.0 Scope

The content in this manual applies to:

- All Suppliers providing existing and new materials, parts, assemblies, finished goods (collectively, “Part” or “Parts”) and services which directly impact the quality of Sleep Number products, to plants, customers, and/or distribution centers
- The product lifecycle, which encompasses three main areas: Supplier qualification, new production development/introduction, and production
- Logistics requirements and processes

Sleep Number’s relationship with Suppliers is defined by the provisions, terms, and conditions of its agreement with the Supplier, or, where applicable, Sleep Number’s purchase order terms. Compliance with the guidelines of this manual or acceptance/approval of the Supplier’s Parts does not relieve the Supplier of any obligations or liabilities stated in the purchase order or agreement.

In the event of conflict, the following order of precedence shall apply:

- Design Record (if applicable)
- Master Supply Agreement (MSA)
- Purchase Order/Agreement
- Procurement Specifications
- Supplier Manuals (SBM, SQM, SLM)

3.0 General Expectations

Our Mission	Our Vision
To improve lives by individualizing sleep experiences	To become the world's most beloved brand by delivering unparalleled sleep experiences

Sleep Number Suppliers are responsible for following all requirements and guidelines in this manual. If the requirements and guidelines are not followed, a nonconformance will be issued to the Supplier and a Supplier Corrective Action Request (SCAR) will be issued. For more information, please refer to the Supplier Quality Manual.

Sleep Number will provide updates and revisions to this manual, as necessary. Suppliers are expected to incorporate these updates and revisions into their logistics system in a timely manner. If changes generate a question or potential problem for a Supplier, it is the Supplier's responsibility to bring the issue to the attention of Sleep Number.

Critical Definitions:

- Shall – The word "Shall" indicates mandatory requirements.
- Should – The word "Should" indicates a recommendation.

Sleep Number Suppliers shall follow the logistics requirements and guidelines in this manual, while providing quality service and products.

4.0 Packaging

Overview: This section lays out the packaging requirements Suppliers shall follow to meet Sleep Number's expectations.

4.1 Pallets

Overview: This section lays out the pallet size and construction, and load design requirements Suppliers shall follow to meet Sleep Number's expectations.

4.1.1 Size and Construction

Suppliers shall adhere to the following pallet size and construction requirements:

Style and Material	<ul style="list-style-type: none"> • Stringer style pallets are preferred over block style pallets • In most cases, pallets shall be constructed of either hardwood or softwood. Hardwood is preferred over softwood • Hardwood stringer style pallets shall have screw shank nails • Softwood stringer style pallets shall have ring shank nails • Non-wooden and returnable pallets are acceptable with approval from Sleep Number
Oversized	<ul style="list-style-type: none"> • Oversized pallets shall be designed for use with 42" and 60" forks • Oversized products shall be palletized on a single pallet with no overhang
International	<ul style="list-style-type: none"> • International shipments that require ISPM-15 certification by US federal, state, or international law shall have ISPM-15 conforming pallets

4.1.2 Load Design

Suppliers shall adhere to the following pallet load design requirements:

- Palletized loads shall not overhang beyond the footprint of the pallet
- Shipping cartons shall be loaded so that shipping carton labels face outwards
- Pallet loads shall be secured in a manner to retain the quality of product throughout shipping
- Pyramid stacking is not permitted
- Furniture: All accessory items shall be palletized separate from headboards, headboard wings, and surrounds. Headboards, headboard wings, and surrounds shall be 1) consolidated by order and 2) palletized as such to meet palletization requirements.

There are three categories of pallet load heights, less than 44", less than 56", and less than 94". Suppliers shall consult with Sleep Number to determine which category their shipments fall under based on product height and weight.

Mixed Loads

Mixed loads refer to pallets containing more than one part number and/or lot number. Mixed loads are not the preferred method but may be used when single part number and/or lot number loads are not possible. Suppliers shall adhere to the following requirements when using mixed load pallets:

- Shipping cartons on mixed load pallets shall be grouped by Sleep Number part number and lot number, with each individual carton only containing a single part number
- All shipping cartons on a single mixed load pallet shall be for the same destination

4.2 Shipping Cartons

Overview: Shipping cartons are used to house product during shipping and refer to boxes designed for manual or mechanical handling. This section lays out all shipping carton requirements Suppliers shall follow to meet Sleep Number's expectations.

Description: Suppliers shall adhere to the following shipping carton requirements:

Size and Construction	<ul style="list-style-type: none">• The size of shipping cartons shall be chosen to maximize shipping density as well as efficiency of pallet utilization• Cartons shall be made with commonly recyclable materials• Cartons shall be securely sealed to ensure they do not open during shipping• Expendable packaging is standard, however returnable packaging is permitted only with approval from the Sleep Number Sourcing department
Carton Contents	<ul style="list-style-type: none">• Each shipping carton shall only contain products with the same part number• Consult the Sleep Number Sourcing department for approval on how contents of a carton are to be packed
Testing and Validation	<p>All packaging containing Sleep Number manufactured products and purchased finished goods shall be performance tested. Suppliers shall refer to the Sleep Number Packaging Performance Test Standard document (4014-PR-08) for testing standards and procedures. Page five of the document contains packaging/product test matrix and shall be used to determine which testing method is appropriate for specific types of product.</p>
Furniture Specific Requirements	<ul style="list-style-type: none">• Furniture packaging shall not have any visible branding• All furniture packages must have accessible hand holds for easy movement• All individual packages must be secured with banding

4.3 Plastic Bag and Film Requirements

Overview: This section lays out plastic bag and film requirements Suppliers shall follow to meet Sleep Number's expectations.

Description: Suppliers shall adhere to the following plastic bag and film requirements:

- Plastic bags shall be correctly sized for the contents and surrounding packaging
- Plastic bags shall be properly sealed to perform the intended purpose of the bag
- Resin composition and recycled content shall be chosen with consideration of product interaction with the film
- Commonly recyclable materials are preferred
- Vented and non-vented films shall be chosen with consideration of the purpose of the film

4.4 Packing Slip Requirements

Overview: This section lays out the packing slip requirements that shall be followed by Sleep Number Suppliers to ensure efficient and accurate interpretation of each Supplier's shipping documentation. For more information regarding packing slip requirements, Suppliers shall contact the Sleep Number Sourcing department.

Description: All packing slips shall contain the following information:

- Supplier Name
- Ship to Address
- Ship from Address
- Sleep Number Purchase Order Number – Release Number
- Purchase Order Line Number(s)
- Purchase Order Release Shipment Line Number(s)
- Sleep Number Part Number(s)
- Part Quantity for each Part Number
- Part Description
- Lot Number(s)
- ASN Number
- Handling Unit Quantity
- Package Quantity for each Handling Unit
- Handling Unit Gross Weight
- Handling Unit Net Weight
- Total Gross Weight in Pounds
- Bill of Lading Number

Suppliers shall adhere to the following packing slip requirements:

- Packing slip shall be typed, easily located, easy to follow and understand, and shall match label information
- Details of transmission shall match the packing slip if Electronic Data Interchange (EDI) or Active Orders (AO)
- Sleep Number purchase order number and bill of lading number shall be barcoded on each packing slip

A packing slip shall be included with each shipment

5.0 Labeling

Overview: This section lays out labeling requirements for Suppliers. All labeling requirements shall be followed by Sleep Number Suppliers to ensure efficient and accurate interpretation of incoming shipments. This will enable a smooth receiving process and the ability to easily identify and track product in Sleep Number warehouses. The label requirements in this document are based off AIAG standards. Any deviation to the labels must be documented on a Deviation and approved by Sleep Number.

5.1 Size and Layout

Suppliers shall adhere to the following label size and layout requirements:

Dimensions	<p>4" tall by 6" wide, unless otherwise denoted*</p> <p>*Exceptions:</p> <ul style="list-style-type: none">• Mixed load pallet labels: May be bigger than 4" tall by 6" wide to fit all required information• Foam product labels: 6" tall by 4" wide• Inner-core textile labels: 2" tall by 3" wide• Packaging that limits the size to a smaller label – Requires Sleep Number approval.
Lines per Block	<p>No more than 8 lines are permitted in a single label block, apart from the largest block on mixed load pallets.</p>
Color	<p>White with black print, unless otherwise denoted*</p> <p>*Exceptions:</p> <ul style="list-style-type: none">• PPAP (Production Part Approval Process) labels: Orange with black print• Deviation labels: Yellow with black print• Engineering Sample labels: Blue with black print

5.2 Barcodes

Suppliers shall adhere to the following barcode requirements:

- Code 128 barcodes are required
- All barcodes on incoming products shall be 1D
- Minimum height of 0.3"
- Width shall not exceed 5.5"
- At least 0.25" of quiet space on both ends of the barcode

5.3 Pallet Labels

Overview: There are two types of pallet labels, mixed load, and single part. Mixed load pallet labels are used for pallets containing more than one part number, while single part pallet labels are used for pallets containing a single part number. This section lays out the requirements for both single part and mixed load pallet labels that Suppliers shall follow to meet Sleep Number's expectations.

Description: All pallet labels shall contain the following information:

- Supplier Name
- Ship to Address
- Ship from Address
- Sleep Number Purchase Order Number – Release Number
- Sleep Number Part Number(s)
- Sleep Number Part Description
- Shipping Box Quantity
- Total Part Quantity
- Lot Number(s)
- ASN Number(s)
- Gross Weight in Pounds
- Shipment Date

Suppliers shall adhere to following pallet label requirements unless otherwise approved by Sleep Number:

Pallet Label Placement	<ul style="list-style-type: none"> One pallet label shall be placed on each pallet on the upper half of the unit load (see <i>Figure 10</i> in Appendix B for a visual representation) Pallet labels shall be placed on the outside of the shrink wrap
Barcodes	<ul style="list-style-type: none"> Sleep Number purchase order and release number(s), Sleep Number part number(s), total part quantity, lot number(s), and ASN number(s) shall be barcoded on each pallet label
Load Type Requirements	<ul style="list-style-type: none"> In cases where a mixed load shall be used, pallet labels shall contain all Sleep Number part numbers and lot numbers, and how many cartons are associated with each Sleep Number part number Mixed load pallet labels shall be at least 4" tall by 6" wide, but may be bigger to accommodate all required label information and barcodes One part number and lot number per pallet is the preferred method
Pallet Label Templates	<ul style="list-style-type: none"> For pallets containing a single part number, Suppliers shall adhere to the single part number pallet label template seen in <i>Figure 1</i> in Appendix A For mixed load pallets, Suppliers shall adhere to the mixed load pallet template seen in <i>Figure 2</i> in Appendix A

5.4 Product Labels

Overview: This section lays out the product label requirement Suppliers shall follow to meet Sleep Number expectations.

Description: The following table displays the information that shall be contained on general product labels, foam labels, textile roll labels, inner-core labels, FR cap carton labels, FR cap tags, thread carton labels, and thread spool labels. Suppliers shall conform to these specifications unless Sleep Number approval is granted.

Component	General Product Labels	Foam Labels	Textile Roll Labels	Inner-Core Labels	FR Cap Carton Labels	FR Cap Tags	Thread Carton Labels	Thread Spool Labels	Upholstered Furniture
Supplier Name	X	X	X	X	X		X	X	X
Ship to Address		X	X		X		X		X
Ship from Address		X	X		X		X		X
Sleep Number Purchase Order Number – Release Number			B		B		B		
Sleep Number Purchase Order Number – Release Number – Shipment Line Number									B
Sleep Number Part Number	B	B	B	X	B	B	B	X	B
Sleep Number Part Description	X	X	X	X	X	X	X	X	X
Part Quantity	B	B	B		B		B		B
Lot Number and/or Serial Number	B	B*	B	X	B	B	B	X	
Gross Weight in Pounds	X	X	X		X		X		X
Manufacture Date	X		X	X	X		X	X	X
Pack Date		X							
Roll ID Number			B	X					
ASN Number (1 ASN per location per Shipment)									X

“X” indicates that the component shall be included on the corresponding label without a barcode

“B” indicates that the component shall be included on the corresponding label with a barcode.

*The Lot Number and Sleep Number Part Number on foam labels shall be printed in 45-point font. The Lot Number on foam labels shall be made up of the last two digits of the current year, a dash followed by the week of the year, followed by the Sleep Number assigned Supplier code (YY-WW AA, where AA is the Sleep Number assigned Supplier code).

The following table displays additional requirements for general product labels, foam labels, textile roll labels, inner-core labels, FR cap carton labels, FR cap tags, thread carton labels, and thread spool label.

Requirement	General Product / Upholstered Labels	Foam Labels	Textile Roll Labels	Inner-Core Labels	FR Cap Carton Labels	FR Cap Tags	Thread Carton Labels	Thread Spool Labels
Only One Part Number and Lot Number	X	X	X	X	X	X	X	X
Dimensions	4" X 6"	6" X 4"	4" X 6"	2" X 3"	4" X 6"	-	4" X 6"	-
Orientation	Landscape	Portrait	Landscape	Landscape	Landscape	-	Landscape	-
Label Placement	Figure 11 in Appendix B	Figure 11 in Appendix B	Outside Plastic Covering	Inner-Core of Textile Roll	Figure 11 in Appendix B	Sewn into FR Cap	Figure 11 in Appendix B	Bottom of Thread Spool
Template	Figure 3 in Appendix A	Figure 4 in Appendix A	Figure 5 in Appendix A	Figure 6 in Appendix A	Figure 3 in Appendix A	-	Figure 3 in Appendix A	-

5.5 Non-Standard Product Identification Labels

Overview: PPAP parts, deviation parts, and engineering samples shall be identified with a special label. This section lays out the requirements for PPAP, deviation, and engineering sample labels that Suppliers shall follow to meet Sleep Number's expectations.

Description: Suppliers shall adhere to the following PPAP, deviation, and engineering sample label requirements:

Requirement	PPAP Labels	Deviation Labels	Engineering Sample Labels
Color	Orange	Yellow	Blue
Content	The words “PPAP Samples Not for Production Use”, the PPAP number, “FAI” if applicable, and “ATTN:” followed by the appropriate name	The word “Deviation”, the Deviation number, and “ATTN:” followed by the appropriate name	The words “Engineering Samples Not for Production Use”, project name, TI number if applicable and “ATTN:” followed by the appropriate name
Dimensions	4” X 6”	4” X 6”	4” X 6”
Label Placement	Directly below the carton label, or adjacent to the carton label when there is no room below	Directly below the carton label, or adjacent to the carton label when there is no room below	Directly below the carton label, or adjacent to the carton label when there is no room below
Template	<i>Figure 7 in Appendix A</i>	<i>Figure 8 in Appendix A</i>	<i>Figure 9 in Appendix A</i>

6.0 Retail Shipments

Overview: This section lays out the retail shipment label and packing slip requirements Suppliers shall follow to meet Sleep Number expectations. These requirements apply to all product being shipped via Parcel to Sleep Number retail stores.

Description: Suppliers shall adhere to the following content requirements for retail shipment labels and retail packing slips:

Component	Retail Shipment Labels	Retail Packing Slips
Supplier Name	X	
Ship to Address	X	
Ship from Address	X	
Store Name, Including “Sleep Number”*	X	X
Store Number*	X	X
Suite Number*	X	X
Sleep Number Purchase Order Number – Release Number	X	X
Sleep Number Part Number	X	X
Sleep Number Part Description	X	X
Quantity Shipped vs. Quantity Ordered		X
Shipment Date	X	

*Store Name, Store Number, and Suite Number shall be included in the “To” block of the general product label template.

Suppliers shall adhere to the general product label template seen in *Figure 3* of **Appendix A**, except for the “Lot Number” and “Gross Weight”, which shall be left blank.

A packing slip shall be included with each shipment.

7.0 Drop Shipping Packaging and Labeling

Overview: This section lays out the drop shipping packaging and labeling requirements Suppliers shall follow to meet Sleep Number expectations. These requirements apply to all products being shipped directly to the customer.

For products being drop shipped directly to the customer, adequate packaging should be used to make it through parcel shipping. Reach out to Sleep Number’s Packaging Engineer if guidance is needed.

Shipping labels should use the customer address provided in IDS. The return address should list SLEEP NUMBER as the company while maintaining the supplier’s address.

8.0 Transportation

Overview: The following section lays out the domestic and international transportation requirements Suppliers shall follow to meet Sleep Number expectations.

- All general questions shall be directed to **Transportation@sleepnumber.com**

8.1 Supplier Transportation Responsibilities

Sleep Number requires all Suppliers to adhere to the following transportation responsibilities and requirements:

Communication	<ul style="list-style-type: none">• Fill out “Supplier Pickup Request Form” provided by Sleep Number’s Transportation department• Give Sleep Number’s Transportation department 48 hours’ notice to source a truck• Notify Sleep Number’s Transportation department of any changes in packaging information, including new packaging• Notify Sleep Number’s Transportation department prior to any changes in contacts and shipping hours• Communication of shipment data prior to the first production shipment
Shipping Compliance	<ul style="list-style-type: none">• Conformance with any applicable laws, regulations, and standards pertaining to dangerous/hazardous/toxic materials and packaging• Ship parts according to the planner’s shipping instruction, ensuring product is received at the Sleep Number destination by the due date on the PO release
Vehicles and Trailers	<ul style="list-style-type: none">• LTL (Less than Truck Load); Supplier to ensure driver/carrier properly secured shipment using load bars and/or straps• Pallet shipments over 250lbs; Supplier to ensure driver/carrier properly secured shipment using load bars and/or straps• Double stacking of pallets requires Sleep Number’s approval prior to shipping. If approved, double stacked pallet shipments must be secured with load bars and straps by driver/carrier.• SNBR requires use of only 53’ Dry Van (Non Refrigerated Trailers) from its carrier providers, non-operating Reefer trailers are also not allowed; Supplier is authorized to reject carrier/driver if improper trailer arrives and MUST notify SNBR Transportation• After the product is loaded and the trailer doors are closed, the supplier (or shipping warehouse) is responsible for affixing a unique numbered trailer seal onto the trailer’s back door latch. The carrier is NOT allowed to apply this seal.• The supplier is responsible for recording the seal number on the BOL (Bill of Lading). Note: LTL (Less than Truck Load) freight is exempt from needing a seal affixed.
Bill of Lading Requirements	<ul style="list-style-type: none">• TMS LID (Provided by Sleep Number Transportation)• Carrier• Pro Number

8.2 Domestic Routing Requirements

Suppliers shall adhere to the following domestic routing requirements:

Full Truckload (FTL) and Less than Truck Load (LTL) Requirements	<p>All shipments 22 linear feet and under to be shipped via LTL and set up through XPO logistics and NOT through ODFL. We will reject ODFL deliveries. To determine linear feet, please do the following:</p> <ul style="list-style-type: none">• How to calculate linear feet:<ul style="list-style-type: none">○ Divide the total number of pallets by two.○ Take this number and multiply it by the pallet length in inches.○ Divide this number by 12, and you'll have the shipment's linear feet. If it is 22 feet and below, send LTL via XPO Logistics. 23 feet and above reach out to transportation@sleepnumber.com, with the completed supplier pickup request template and we will get a full truckload to pick up the freight. <p>When setting up XPO LTL shipments, be sure to bill to Sleep Number.</p> <ul style="list-style-type: none">• Billing Address: 1001 3rd Ave S, Minneapolis, MN 55404
Parcel	<ul style="list-style-type: none">• Sleep Number will instruct the Supplier which Parcel carrier to use. The Supplier is responsible to use the proper Sleep Number Parcel account to make small parcel shipments.• Reach out to planner for instruction on shipment method of the parcel
Air	<ul style="list-style-type: none">• Contact Sleep Number's Transportation department for quoting and coordination

9.0 International Shipments

Sleep Number Corporation suppliers must adhere to the following international shipment requirements

- Ocean requests must be directed to Sleep Number's freight forwarder, Steam Logistics at sleepnumber@steamlogistics.com
 - All container requests must be made 2 weeks prior to shipment date
- Air shipment requests must be directed to Sleep Number at international@sleepnumber.com for guidance and approval

The following are essential elements to be included in completing shipments to Sleep Number Corporation. U.S. Customs and Border Protection (CBP) has very specific requirements for the information, documentation and markings required for the entry of product into the United States. Failure to adhere to the CBP requirements may result in delayed delivery and additional expenses incurred by Sleep Number to bring product into compliance with CBP requirements

Any questions or comments on Sleep Numbers International Shipping Requirements should be directed to international@sleepnumber.com

9.1 Documentation

Sleep Number Corporation requires suppliers to prepare import documentation that complies with US Customs regulations for each shipment. All documentation noted in section 8 must be in English.

9.2 Document Timing

Importer Security Filing (ISF):

The ISF also known as “10+2”, is a Customs and Border Protection (CBP) requirement for all ocean cargo imports to the United States. The supplier must supply the completed ISF to Sleep Numbers preferred forwarder no later than 24 business hours prior to vessel departure

CBP may issue liquidated damages of \$5,000 per violation for the submission of an inaccurate, incomplete, or untimely filing

Mode	Timing
Ocean	ISF required - Must be provided no later than 24 business hours prior to vessel departure from origin
Air	ISF is not required for air shipments
Land	ISF is not required for land shipments

Data required for the ISF:

- Supplier or manufacturer name and address
- Owner or seller name and address
- Ship-to name and address
- Container stuffing location
- Consolidator name and address
- Importer of record number or foreign trade zone applicant identification number
- Consignee number
- Country of Origin
- Commodity Harmonized Tariff Schedule number (each product on the shipment)
- House bill (whenever applicable)
- Master bill including SCAC (standard carrier alpha codes)

Commercial Documents:

The commercial invoice and packing list must be provided to the assigned freight forwarder according to the timing requirements below

Mode	Timing
Ocean	No later than 2 business days after vessel departure
Air	No later than 1 hour after loading completion
Land	Same day if loaded by 5pmCT. Next calendar day if loaded after 5pmCT

9.3 Commercial Invoice

Header level:

- Seller Name and address
- Sold to name and address
- Ship to name and address
- Invoice number
- Invoice date
- Incoterms
- Payment terms
- Currency of purchase
- Corresponding packing list number

Line level:

- Line level information must be on one line per purchase order (PO) and Sleep Number part number combination
 - Example: If PO #1 for part A shipped in 3 cartons @ 150 pieces in each carton, the commercial invoice must show just one line of PO #1 for part A for 150 pieces, not a separate line for each carton
- Sleep Number purchase order number, release number, PE number, other order number as provided by Sleep Number
- Sleep Number Part Number
- Complete Sleep Number Part Description
- Quantity
- Unit of Measure
- Unit cost in currency of purchase
- Total cost in currency of purchase
- Country of Origin (COO)

Country of Origin Note

If every item on the shipment has the same COO, the COO may be at the Header Level instead of the Line Level

Valuation Notes

Special valuation rules apply for samples, items shipped for testing, and other parts not shipped against a Purchase Order. The value of these items must be the fair market value. Stating \$1 or some other nominal amount is prohibited

Any and all additional charges to Sleep Number related to the product on the commercial invoice, such as for packaging, expedite fees, and tooling, must be detailed on the commercial invoice even if such charges are being charged and paid for separately

The unit price on the commercial invoice must match the unit price on the Sleep Number Purchase Order and must also match the unit price on the payment invoice sent to Sleep Number

Items Requiring Additional Data

Textiles (on commercial invoice):

- Actual manufacturer's name and address
- Articles manufactured of textile materials, coated, or laminated with plastics or rubber coating inside or outside of the item. An example would be a bag. Include a description indicating whether the fabric is coated or laminated on both sides, on the exterior surface or on the interior surface.

9.4 Packing List

Header level:

- Supplier Name and address
- Packing list number
- Packing list date
- Sold to name and address
- Ship to name and address
- Corresponding invoice number

Line level:

- Sleep Number part number
- Complete Sleep Number part description
- Sleep Number purchase order number, release number, PE number, other order number as provided by Sleep Number
- Gross weight (kg)
- Net weight (kg)
- Quantity
- Unit of Measure

- Carton quantity
- Carton dimensions (cm)
- Carton weight (kg)

Footer level:

- Total gross weight (kg)
- Total number of cartons and/or pallets/skids

Markings:

U.S. Customs regulations require that every article of foreign origin (or its sale packaging) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or its sale packaging) will permit. The markings must be made in such a manner as to indicate to the ultimate purchaser in the United States the English name of the country of origin of the article, at the time of importation into the United States. Containers of articles excepted from marking shall be marked with the country of origin of the articles unless the container is also excepted from marking

9.5 United States-Mexico-Canada Agreement (North American Suppliers)

The United States-Mexico-Canada Agreement (USMCA) Free Trade Agreement offers duty savings benefits for components/parts that are manufactured in the U.S., Canada or Mexico that help make Sleep Number products more competitive, and in turn support increased sales

Customs Regulations regarding USMCA can be found at 19 CFR Section 182 and the USMCA rules of origin which need to be satisfied in order to confirm that a good/part qualifies as originating under USMCA are set forth in Appendix A to part 182 to these regulations. Qualifying goods under USMCA and properly completing USMCA certifications of origin is complex. Therefore, if not familiar with how to qualify products under USMCA, or how to properly complete a USMCA Certification of Origin, Supplier shall conduct its own research or consult an expert to ensure that the information provided to Sleep Number by Supplier and any sub-tier suppliers is accurate and valid

Suppliers are expected to promptly notify Sleep Number of country of origin or free trade qualification changes and issue corrected certificates of origin, if applicable. USMCA information can be found online at <https://www.cbp.gov/trade/priority-issues/trade-agreements/free-tradeagreements/USMCA>

USMCA certificates must include the Sleep Number part number and complete product description

9.6 Country of Origin

It is the suppliers' responsibility to provide Sleep Number with accurate country of origin information. Supplier is required to notify Sleep Number immediately of any change in the country of origin status for parts sold by supplier, including any changes to country of origin resulting from changes at sub-tier suppliers

The country of origin is the country of manufacture, production, or growth of the article. The country of origin of an article may be changed in a secondary country if one of the following occurs:

- If the further work or material added to an article in the second country constitutes a substantial transformation.
- For a good of a USMCA country:
 - if under the USMCA/NAFTA Marking Rules (19 CFR Part 102) the second country is determined to be the country of origin of the good for marking purposes.
 - if under the USMCA Origin Rules (19 CFR Part 182) the second country is determined to be the country of origin for purposes of making a claim for preferential treatment

Sleep Number will be relying upon the accuracy and the validity the country of origin information Supplier provides, including information from its sub-tier suppliers. If Supplier is not familiar with how to accurately determine country of origin, Supplier shall investigate the requirements and ensure its own understanding, and the understanding of its sub-tier suppliers. U.S. Customs Regulations on Country of Origin can be found at 19 CFR Sections 134 and 102

Origin rules may change over time. Supplier must regularly reevaluate its origin determinations and promptly inform Sleep Number of any changes or corrections

Country of Origin Marking Requirements

All product shipping to Sleep Number facilities must be marked with the country of origin in accordance with U.S. regulations. If the article is produced with goods from multiple countries of origin, U.S. Regulations must be followed to determine the marking requirements. Product and cartons must be clearly and legibly marked with the complete name of the country of origin in English. If country of origin marking is on the outer carton and the carton contains products with various countries of origin the Supplier must somehow distinguish so that the country of origin is obvious for each of the specific products. See below guideline for further explanation

Exempt Marking Requirements

Articles described or meeting the specified conditions set forth below are excepted from marking requirements:

- Articles that are incapable of being marked;
- Articles that cannot be marked prior to shipment to the United States without injury;
- Articles that cannot be marked prior to shipment to the United States except at an expense economically prohibitive of its importation;
- Articles for which the marking of the containers will reasonably indicate the origin of the articles;
- Articles intended for use by the importer and not intended for sale in the imported or any other form;
- Articles to be processed in the United States by the importer or his account otherwise than for the purpose of concealing the origin of such articles and in such manner than any mark contemplated by this part would necessarily be destroyed or permanently concealed.

- Articles that were produced 20 years prior to their importation into the United States;
- Products of the United States exported and returned;

Articles not marked as required will be subject to additional duties of 10 percent of appraised value unless exported or destroyed under Customs supervision

Method and Manner of Marking

Markings of the country of origin must be:

- Clear enough to be read
- Impossible to move or remaining forever
- Lasting forever or for a very long time, especially without undergoing significant changes.
- The marking must survive normal distribution and store handling. The ultimate consumer must be able to find the marking easily and read it without strain.

Where an article is produced as a result of an assembly operation and the country of origin of such article is determined to be the country in which the article was finally assembled, such article may be marked, as appropriate, in a manner such as the following:

- Assembled in (country of final assembly)
- Assembled in (country of final assembly) from components of (name of country or countries of origin of all components)
- Made in, or country of (Country of final assembly)
- Any method of marking at any location ensuring the country of origin will be easily or clearly visible on the article will be acceptable
- If paper sticker or pressure sensitive labels are used, they must be affixed securely and must remain on the article until it is delivered to the ultimate consumer.
- When tags are used, they must be attached in a place which is easily visible.

Marking When Name of Country or Locality Other Than Country of Origin Appears:

- In any case in which the words, "United States," or "American," or the letters "USA," any variation of such words or letters or the name of any city or location in the United States, or the name of any foreign country or locality other than the country of locality which the article was manufactured or produced appear on an imported article or its container, and those words, letters or names may deceive the ultimate consumer as the actual country of origin of the article, Supplier must clearly, permanently, and in close proximity to such letters, words or names, and in at least comparable size, provide the name of the country of origin preceded by "Made in," "Product of," or other words of similar meaning

10.0 Definitions

Term	Definitions
AIAG	Automotive Industry Action Group
AO	Active Orders
FTL	Full Truckload
EDI	Electronic Data Interchange
ISPM-15	International Standards for Phytosanitary Measures No. 15
LTL	Less Than Truckload
NAFTA	North American Free Trade Agreement
PPAP	Production Part Approval Process
SBM	Supplier Business Manual
SLM	Supplier Logistics Manual
SQM	Supplier Quality Manual
USMCA	United States-Mexico-Canada Agreement

11.0 Revision History

Rev	Description	By	Approved By
A	Initial release	M. Silverman	T. Wixo, D. Scites, M. Stone, M. Firtko
1.0	Revisions: <ul style="list-style-type: none"> - Document number updated from 4011-ML-03 Rev A to SN-MAN-001003 Ver 1.0 (QMS System Change) - Added engineering samples label. Sec 5.1, 5.5, and Appendix A - Revised label requirements. Sec 5.5 - Added ASN number to packing slip requirements. Sec 4.4 - Added trailer seal requirements. Sec 7.1 - Revised foam shipping box label requirements and template. Sec 5.4, Appendix A - Added Release Number to pallet label requirements and revised templates. Sec 5.3 - Updated FTL and LTL requirements in Sec 7.2 - Expanded International Freight section 8.0 	M. Martin	D. Scites, Z. Mitchell
2.0	General revisions to Labeling section, addition of Drop Shipping section, general revisions to International Shipments section	S. Orf	Z. Mitchell
3.0	Update to Parcel Service in sections 6.0, 7.0, and 8.2.	S. Orf	Z. Mitchell

12.0 Appendix A – Label Templates






FROM: Supplier Name Ship From Address		TO: Sleep Number Ship to Address	PART DESCRIPTION: Example Part Description
CUST PART NUMBER: 123456 		LOT NUMBER: 123456 	
TOTAL QUANTITY: 1000 		ASN NUMBER: 123456 	
CUST PO NUMBER-RELEASE NUMBER: 12345-6789 			GROSS WEIGHT: 1234 LBS # SHIPPING BOXES: 10 QTY/SIPPING BOX: 100 SHIPMENT DATE: MM/DD/YYYY

Figure 1: Single Part Number Pallet Label Template
















FROM: Supplier Name Ship From Address		TO: Sleep Number Ship to Address			TOTAL # SHIPPING BOXES: 10 SHIPMENT DATE: MM/DD/YYYY	
CUST PART NUMBER: 123456 	CUST PO NUMBER-RELEASE NUMBER: 12345-6789 	PART DESCRIPTION: Example Part Description	# SHIPPING BOXES: 4	TOTAL PART QTY 100 	LOT NUMBER: 123456 	ASN NUMBER: 654321 
234567 	12345-6789 	Example Part Description	3	100 	123456 	654321 
345678 	98765-4321 	Example Part Description	2	100 	654321 	123456 
MIXED LOAD						

Figure 2: Mixed Load Pallet Label Template





FROM: Supplier Name Ship From Address		TO: Sleep Number Ship to Address	PART DESCRIPTION: Example Part Description
CUST PART NUMBER: 123456 		LOT NUMBER: 123456 	
QUANTITY: 123 			
CUST PO NUMBER: 12345-6789 			SHIPMENT DATE: MM/DD/YYYY GROSS WEIGHT: 1234 LBS

Figure 3: General Product / Upholstered Label Template
Use Blank box for ASN number.

FROM: Supplier Name Ship From Address		TO: Sleep Number Ship to Address	
WEIGHT: 123 LBS 		QUANTITY: 123 	
LOT NUMBER: YY-WW AA 			
CUST PART NUMBER: 123456 		BATCH/NO NUMBER 	
PART DESCRIPTION: Example Part Description		PACK DATE: MM/DD/YYYY	

Figure 4: Foam Shipping Box Label Template



FROM: Supplier Name Ship From Address	TO: Sleep Number Ship to Address	PART DESCRIPTION: Example Part Description	GROSS WEIGHT: 1234 LBS SHIPMENT DATE: MM/DD/YYYY
CUST PART NUMBER: 123456 		LOT NUMBER: 123456 	
QUANTITY (YDS): 123 YDS 		ROLL ID NUMBER: 123456 	
CUST PO NUMBER: 12345-6789 			

Figure 5: Textile Roll Label Template

SUPPLIER NAME: Supplier Name	PART DESCRIPTION: Example Part Description	
CUST PART NUMBER: 123456	LOT NUMBER: 123456	
QUANTITY YDS: 123 YDS	ROLL ID NUMBER: 123456	
		SHIPMENT DATE: MM/DD/YYYY

Figure 6: Inner-Core Label Template

PPAP SAMPLES
NOT FOR PRODUCTION USE
ATTN: NAME HERE
FAI ***if applicable***
PPAP NUMBER: 000

Figure 7: PPAP Label Template

DEVIATION
ATTN: NAME HERE
DEVIATION NUMBER: 000

Figure 8: Deviation Label Template

ENGINEERING SAMPLES
NOT FOR PRODUCTION USE
ATTN: NAME HERE
PROJECT NAME: Example
TI NUMBER: AA1234

Figure 9: Engineering Samples Label Template

12.0 Appendix B – Label Placement

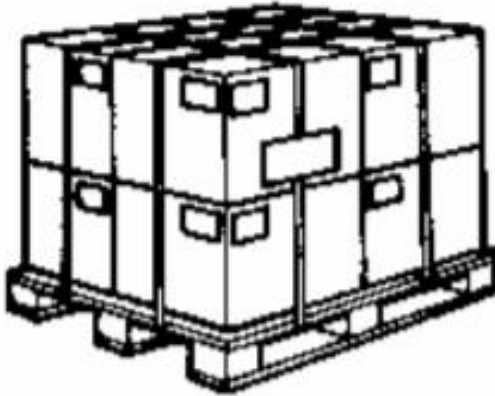


Figure 10: Pallet Label Placement



Figure 11: General Product Label Placement

Document Approvals
Approved Date: 3/27/2024

Task: Approver(s) Approval Verdict: Approve	Matthew Graham (Matthew.Graham@sleepnumber.com), Document Control Analyst, on behalf of Zach Mitchell, Senior Manager, Transportation & Inbound Logistics (zach.mitchell@sleepnumber.com) 27-Mar-2024 16:30:46 GMT+0000
Task: Approver(s) Approval Verdict: Approve	Shelby Orf, Supplier Quality Engineer (shelby.orf@sleepnumber.com) 27-Mar-2024 16:33:01 GMT+0000