



Supplier Specification – Direct Shipment

Document Number and Revision: 923-3764 Rev 06

Overview

This document defines Oracle's requirements and expectations for the fulfillment of orders through direct shipment from suppliers to Oracle's customers

Audience

This document is for SCO Supply Management and Supply Chain Operations (SCOPS) Program Managers and Site Material Planning Managers. This includes Strategic Sourcing Managers (SSMs), suppliers and their supply base partners, and anyone involved with supplier onboarding.

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Introduction

This document defines Oracle's requirements and expectations of the supplier and their sub-tiers for supplying and shipping products produced to a consistent set of standards, on time, at a competitive price, regardless of location, and in accordance with the agreed delivery terms of Free Carrier (FCA) supplier's site (Incoterms 2010).

1 Business Approach

- Shipping 100% of sales orders directly from the assigned supplier site to Oracle's end customer address
- Product to be ordered and shipped at single line level (where there is a 1:1 link between Oracle's customer sales order [CSO] and the standard PO provided to the supplier)
- Purchase Order (PO) release process
- Product leaves supplier site as a customer ready delivery

2 Business Process

Business processes support the following:

- Items and BOMs
- Planning
- Supply Chain Execution:
 - Scheduling
 - Procurement

- Order Execution and Shipping
- Return to vendor (RTV) or Rework (Note: confirm customer returns are out of scope)

3 Product Scope

The Oracle products level types that can be purchased from a product supplier are as follows:

- Primary Products: ATO (Assemble to Order) items
- Aftermarket products: Primarily pick to order (PTO) items
 - X-Options
 - FRUs

4 Items and BOMs

This section sets out the part number scheme, life cycle statuses, and configuration item information. Information exchange is facilitated through Oracle Supplier Portal.

4.1 Oracle Supplier Portal

Oracle Supplier Portal is the gateway for Suppliers to view the Product Lifecycle Management data:

- Items & BOMs
- Item & BOM Attribution
- Lifecycle Phases
- AML
- Oracle drawings and specifications
- Change Orders (ECO/MCO)
- Change Requests (ECR-PQM / Deviations / Process Alerts)

4.2 ATO Config Items

ATO Config items are automatically created prior to the creation of the PO. The format for ATO Config Items is as follows:

- ‘ATO Model Number’ – ‘sequence number’ i.e., 7120092-9975
- The ‘sequence number’ will continue to grow as more ATO Config Items are created

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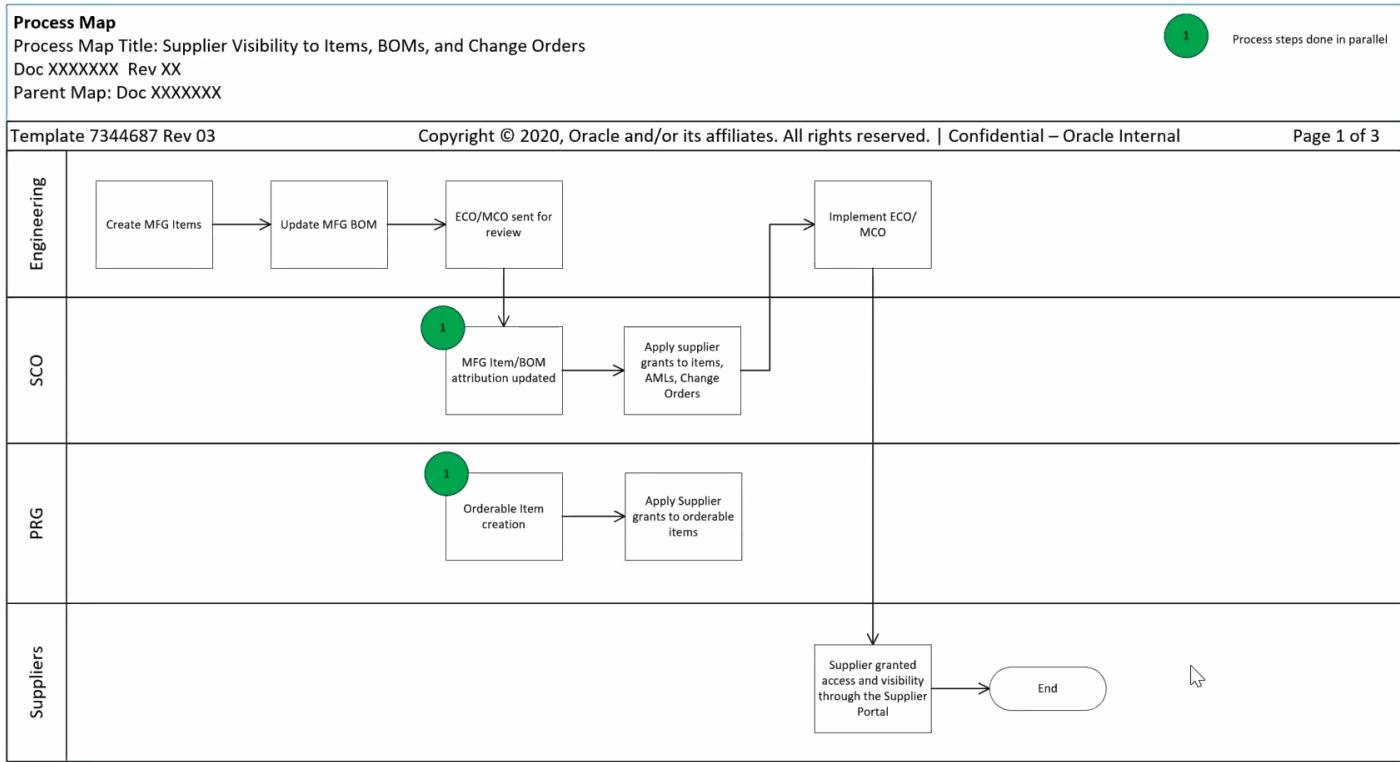
Product Lifecycle Phases for Orderable and Manufacturing Items are detailed in Figure 4-1 below.

Figure 4-1 Product Lifecycle Phases

		Internally Orderable		Revenue Release	Generally Available	Last Order Date	Last Ship Date		
		Development		Internally Available	Customer Orderable	Sustaining	No New Customer Quotes	No Support Renewals	
Orderable Items	Program Start	PLANNED		Active				OBsolete	
	Item Status	N/A				Commercial Price List	Commercial Price List	Commercial Price List	none
	Customer Orders Enabled	No		Yes				No	
	Lifecycle Phase	HW Ord Planned		HW Ord Pbuild Internal (P0, P1, P2) HW Ord Internal		HW Ord NPI Active HW Ord Restricted	HW Ord Active HW Ord Internal Active HW Ord Restricted	HW Ord End of Life	HW Ord End of Service Life
	Item Status	PLANNED				PRODUCTION (Physical Items) PROD NS (Phantoms and Reference Items)		OBsolete	
	Purchasable Flag on TLA	No		Yes				No	
	Project Phases	Phase 1: Concept	Phase 2: Plan	Phase 3: Develop, Integrate & Test	Phase 4: Pilot Build & System Test	Phase 5: Customer Acceptance	Phase 6: Deploy	Phase 7: Sustain	Phase 8: Retire
	Pre-Production Builds	N/A		Pre-P0, P0	P0 (IM), P1 (EM), P1.Last	RQT, P2, Production Ramp	N/A		N/A
	Lifecycle Phase	HW Mfg Design		HW Mfg Prototype		HW Mfg Production		HW Mfg Inactive	HW Mfg Inactive HW Mfg Obsolete

Figure 4-2 Supplier Visibility to Items, BOMs, and Change Orders

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5 Planning

5.1 Planning Process Overview

Oracle utilizes six fully integrated Planning modules. These are the following:

- Sales and Operations (Ops) Planning
- Demand Management
- Supply Planning
- Supply Chain Collaboration (SCC)

For each supplier site, forecasts are at the ATO option level or PTO item level for platform and Xoption/FRU products. This forecast is a gross forecast net of inventory in Oracle's Hillsboro Factory and Work in Process (WIP) jobs for return of material to supplier e.g., Rotational Equipment returns.

Supplier responsibilities:

Suppliers must use Oracle's collaborative planning tools to receive the forecast. After the receipt of Oracle's gross forecast, suppliers must load this forecast into their Enterprise Resource Planning (ERP). The supplier is required to perform the following activities as part of their planning process:

- Identify plan changes
- Net quarter to date Oracle shipments
- Net WIP, supplier on-hand and on order
- Consider ORT / rotational supply
- Generate a materials plan

Suppliers are required to forecast to their sub-tier suppliers in line with Oracle's forecast for non-core material.

Suppliers must load their commodity forecast into Oracle's collaborative planning tool in line with Oracle's forecast for core material.

Suppliers are required to procure material in line with the net requirements of Oracle's forecast and in line with Oracle's expected demand profile, lead-time, and requirements for minimum order quantity and batch size.

Suppliers are required to be able to support Oracle's forecast and an agreed percentage upside in the plan.

Figure 5-1 Supplier Collaborative Planning Process

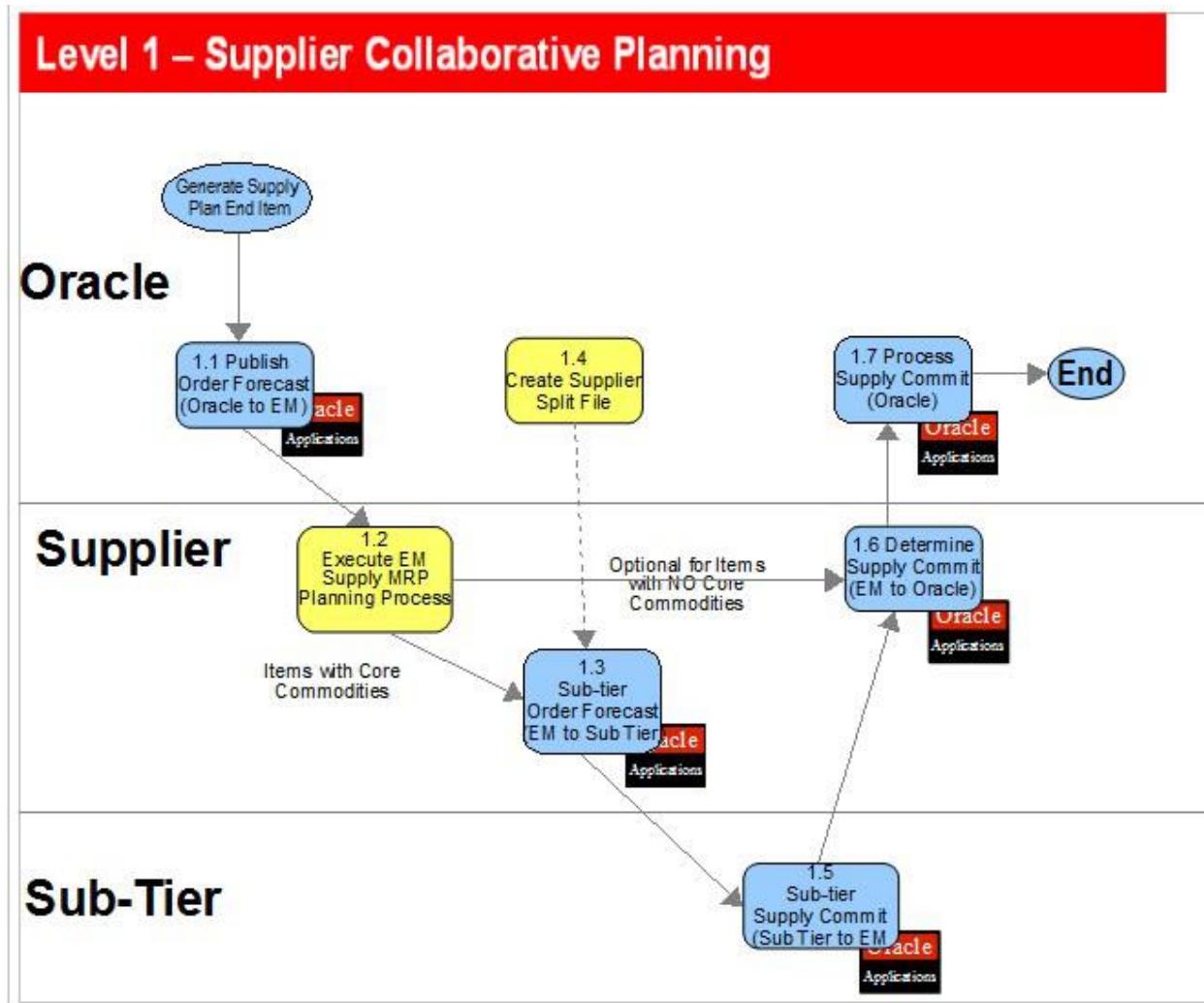
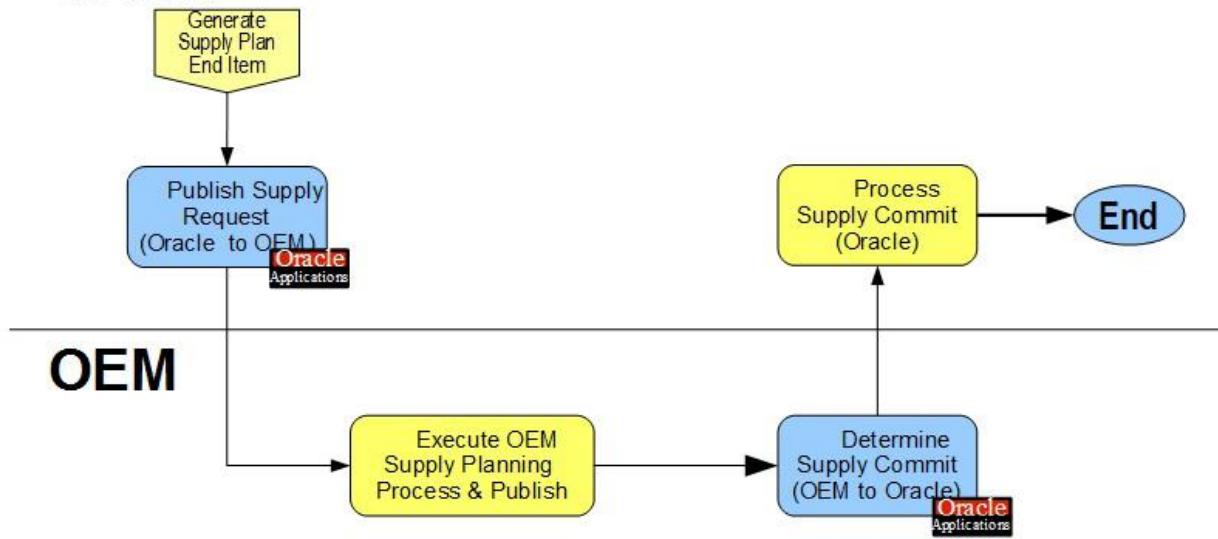


Figure 5-2 OEM Supplier Collaborative Planning Process

Level 1 – OEM Supplier Collaborative Planning

Oracle



5.2 Supplier Collaboration

Oracle publishes a gross forecast on a weekly basis through the CP tool. This forecast covers a six quarter planning horizon.

There are the following two types of forecasts:

- Finished goods forecasting which follows the ATO model
- Option forecasts or in some instances PTO

Commodity forecasts are published with an aggregated commodity forecast for all core commodities (for example, hard drives, memory, and CPUs).

Supplier responsibilities:

Suppliers are expected to commit to the forecast within five business days. Forecast commits are updated by the supplier within the CP tool at the detailed item level in weekly buckets for a rolling 26 week horizon, or, in cases where component leadtimes are always less than 13 weeks, Oracle's commodity director can specify a 13 week horizon.

In the case of suppliers whose products contain Oracle defined core commodities, the supplier is required to publish a netted commodity requirement in the CP tool. This forecast is received by Oracle and by Oracle's core commodity suppliers.

Oracle's core commodity suppliers are required to commit back to Oracle and the relevant supplier through the CP tool.

Oracle only requires External Manufacturer suppliers to collaborate with sub-tier suppliers for Oracle core commodity items as requested.

If suppliers cannot support Oracle's forecast, they must provide details of the capacity or material constraint.

5.3 Sub-Tier Collaboration

Supplier responsibilities:

Suppliers are required to take Oracle's forecast and net off their available supply and position material appropriately within lead-time to support Oracle's forecast.

It is the supplier's responsibility to publish a forecast to their supply base to ensure sufficient material availability to support Oracle's demand for all components.

For core commodities, the supplier is required to publish a netted commodity requirement in the CP tool. This forecast is received by Oracle and by Oracle's core commodity suppliers.

Oracle's core commodity suppliers are required to download the netted commodity forecast and commit back to Oracle and the relevant supplier with the CP tool.

5.4 Inventory Planning

Inventory planning is the supplier's responsibility and the supplier is expected to hold sufficient inventory, including inventory buffers as suggested by Oracle to support Oracle's supply plans, lead-times, and predictability service level in accordance with Section 5.2 of the Master Supply Agreement and as otherwise set forth in this specification.

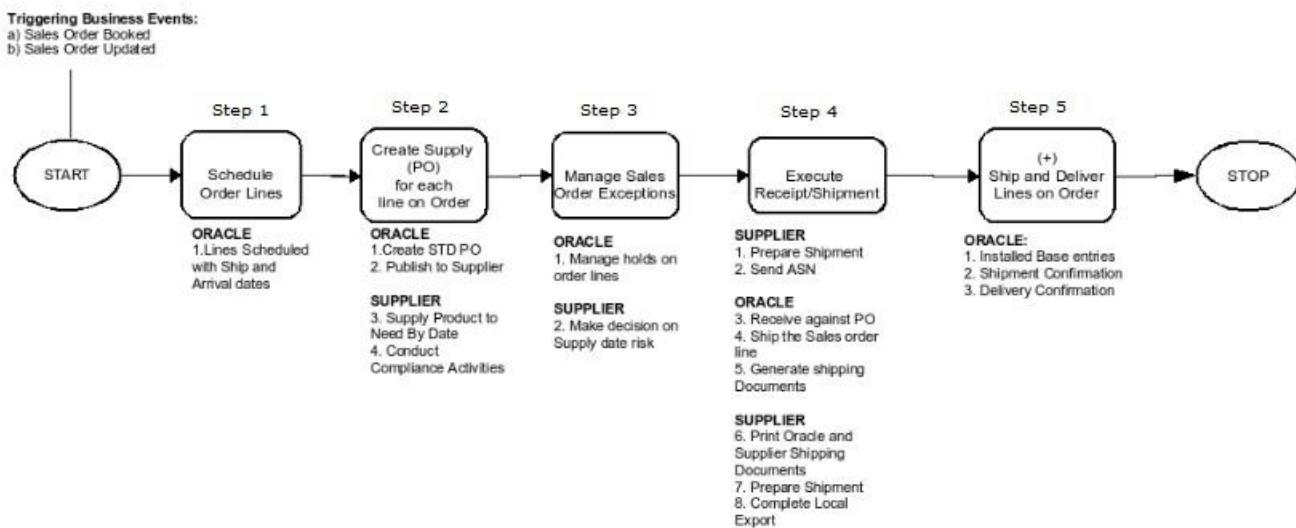
In accordance with the Materials Reporting requirements of the Master Supply Agreement, Oracle can request inventory data reports, including open POs, work in progress, and other related information on a regular basis as well as unplanned, as further requested by Oracle. If Oracle advises suppliers of the required inventory position on certain components, suppliers must position inventory to the required levels and provide status against the required inventory levels.

6 Supply Chain Execution (Excluding Internal Manufacturer)

6.1 Overview

Within the context of this supplier specification, supply chain execution covers the order scheduling through the customer delivery cycle. This cycle is detailed in *Figure 6-1, Supply Chain Execution Flow*, below.

Figure 6-1 Supply Chain Execution Flow

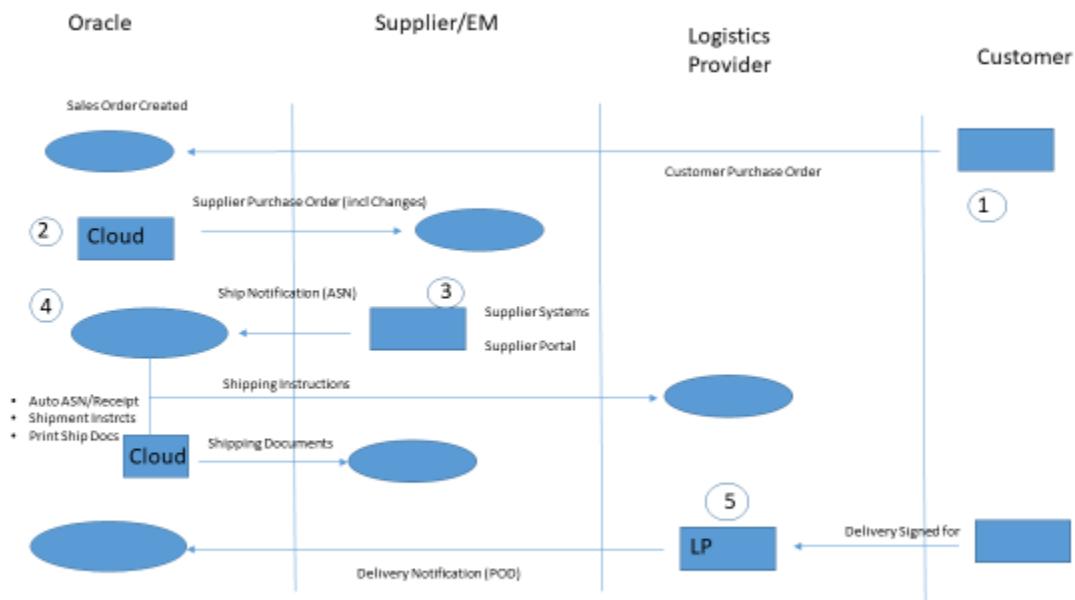


Cross reference the Steps listed above with the Steps listed in *Table 6-1, Process Narrative*, on page 10.

6.2 Business Event Data Flow

The interactions between the parties involved in the order life cycle are depicted in *Figure 6-2, Event Data Flow*, below. This details the business event flow sequence triggered by the receipt of a customer PO through to the ultimate delivery of the order to the designated customer's Ship To location.

Figure 6-2 Event Data Flow



6.3 Business Process Narrative

The process steps outlined in *Figure 6-2, Event Data Flow*, on page 13 are described in *Table 6-1, Process Narrative*, below:

Table 6-1 Process Narrative

Step	Step Description	Transmission Method	Owner
1	Customer PO is sent in to Oracle with request to buy products.		Customer
1.1	Oracle schedules SO line using fixed product lead-times.	N/A	Oracle
1.2	Supplier must notify the Oracle Buyer of any planned or unplanned deviation from the agreed product lead-time.	In writing or e-mail	Supplier
1.3	Supplier must identify the calendar dates on which it is not open for business. This information must be provided to Oracle on a quarterly-basis and must cover a period of at least 180 calendar days.	In writing or e-mail	Supplier
2	Oracle supply request, a standard PO (Std PO) sent to the supplier with need by date which is also known as the scheduled ship date (SSD). For details on the PO data elements, refer to <i>Appendix B, Std PO Data Elements</i>, on page 31.	Supplier Portal /EDI or XML if supplier is B2B enabled	Oracle
2.1	The Std PO identifier contains two elements: (1) a prefix of the Oracle region (USA, CAPAC, and EMEA) that represents where this product	Supplier Portal /EDI or XML if	Oracle

Step	Step Description	Transmission Method	Owner
	is sourced from; (2) a system-generated series of numbers. A Std PO is automatically created for each SO line or purchase requisition. The Std PO created must be issued from one of three Oracle legal entities (refer to <i>Appendix C, Oracle Procuring Entities</i> , on page 33), depending on where Oracle's customer is located.	supplier is B2B enabled	
2.2	<p>Oracle creates and provides the following data as attachments to the Std PO:</p> <ul style="list-style-type: none"> - The SO line information required to enable direct ship from the supplier location to Oracle's 'Ship To Customer' information - Oracle Customer's 'End Customer' information where this differs from the 'Ship To' detail (for example, when the 'Ship To' reflects an Oracle reseller). <p>NOTE 1: Oracle customer name and address information must be supplied in Western Character format and not multibyte; and the product model and configured options must be copied from the SO line and 'attached' to enable the supplier to quickly identify the configuration of the ATO product.</p>	Supplier Portal /EDI or XML if supplier is B2B enabled	Oracle
2.3	Supplier must schedule their internal orders (the internal equivalent of Oracle's Std PO) by the need by date on the Oracle Std PO first and, secondly, by the order in which it was received from Oracle.	N/A	Supplier
3	Supplier must ship against the PO and send an Advanced Shipment Notification (ASN) on the PO promise date. The supplier must provide an ASN to Oracle when the shipment is prepared to the point where the supplier is ready to receive and apply the Oracle commercial invoice, packing list, and shipping address label (and other required shipping documentation). The supplier must prepare shipments in accordance with the cut-offs identified in the Standard Operating Procedure (SOP) agreed between the supplier and the logistics provider. For details on ASN data contents, refer to Note 3, on page 16.	Supplier Portal /EDI or XML if supplier is B2B enabled	Supplier
4	Receipt transacted in Oracle applications against the PO shipment transacted in Oracle Cloud Systems.	Supplier Portal /EDI or XML if supplier is B2B enabled	Oracle
4.1	A notification is sent to the logistics provider (B2B) that an order has shipped and must be picked up from the supply point on the day the Shipment Instruction was sent by Oracle.	EDI or XML	Oracle
4.2	Shipping documents are produced by Oracle and sent to the supplier. For details on shipping documents, refer to <i>Section 6.5, Shipping Documentation and Labeling</i> , on page 15.	Supplier Portal /EDI or XML if supplier is B2B enabled	Oracle
5	Delivery must be completed by the scheduled arrival date (SAD). The logistics provider must close out the supply chain execution cycle by submitting a proof of delivery (POD) to Oracle within two business days of the physical delivery.	EDI or XML	Logistics provider

NOTE 2: For details on change orders and exception conditions management, refer to *Section 6.6, Physical Shipment Preparation*, on page 22.

NOTE 3: The content of the ASN is based on Industry Standard messaging which contains the following information:

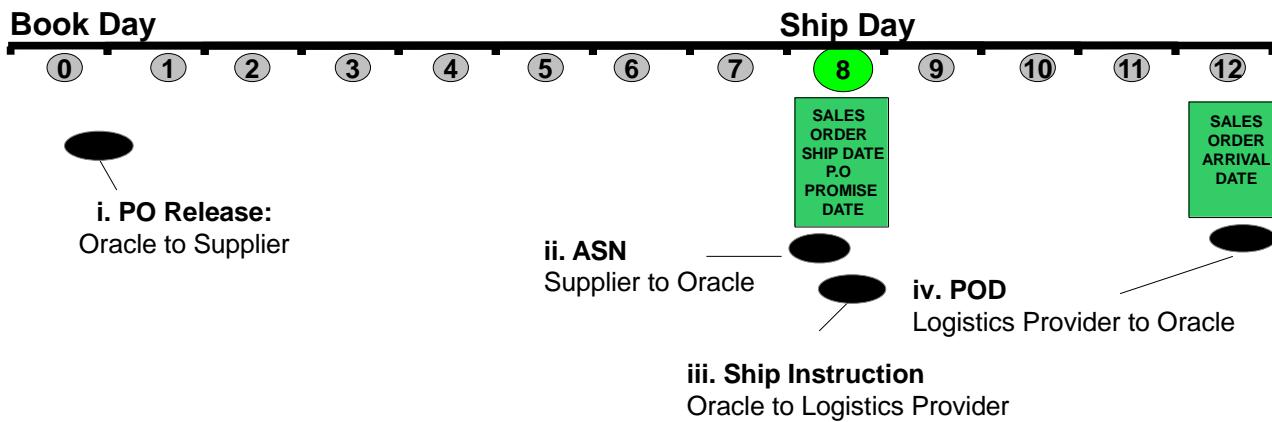
- PO reference
- Part number
- Quantity
- Item
- Packing slip number
- Serial number
- Country of origin (COO)
- Ship date (the date the shipment is ready for pickup)
- Expected receipt or arrival date (must be the same as the ship date)
- Net weight and unit of measure (UOM)
- Tar weight (packing) and UOM
- Box count (not palletized)

Gross weight is the physical scale weight of product, net should be 85% of Gross, Tar should be 15% of Gross. It's not required to weight packaging and/or physical goods w/out packaging independently.

Oracle's bar code labeling specification (950-1419-xx) defines identification labels which are applied to all containers of finished goods. Within this specification, it is defined that the bar code for serial numbers must include a data identifier. Data identifiers are embedded at the beginning of bar codes to identify the kind of information encoded. In the case of a serial number, the data identifier is an 'S.'

The serial number that is sent within the ASN must not include the data identifier 'S', only the serial number.

Figure 6-3 Example Event Timing Diagram for a Product with an Eight Day Lead Time



6.4 Supplier as US Principal Party in Interest (USPPI) or Exporter of Record (EOR)

As USPPI or EOR, under the FCA supplier's site (Incoterms 2010), suppliers are responsible for the following activities:

- Ensuring that they are in compliance with all US and local export laws

NOTE 4: Because most of the products that Oracle sell are the direct product of US origin technology, even if the supplier is exporting from a country outside the US, the shipment is still considered a US re-export and as such, US laws are applicable as well as any local export law.

- Determining, and where required, obtaining, the proper export license or license exception for each line item or each shipment

NOTE 5: For transaction lines where Oracle determines a US validated export license is required, Oracle must request the supplier to ship the product to the Hillsboro site and Oracle must obtain the US validated export license and act as the exporter of the record.

- Placing the correct Destination Control Statement (DCS) or other locally required verbiage on each commercial invoice
- Submitting the required Electronic Export Information (EEI) file through the US government Automated Export System (AES), or working with a US freight forwarder (Oracle's logistics provider or other) to submit on their behalf (US export only):
 - Where the supplier either performs AES filing themselves or has their forwarder or agent perform the filing on their behalf, the supplier must exchange information with Oracle's logistics provider in terms of flight details and Internal Transaction Number (ITN) (US export only)
 - Where the supplier wishes Oracle's logistics provider to perform AES filing on their behalf, the supplier must issue their Power of Attorney and supply their Exporter Identification Number (EIN) to Oracle's logistics provider to allow them to perform the filing (US export only)
- Submitting local export clearance documentation or files to government authorities where export is not made out of the US

To support timely, compliant direct shipment under the FCA (supplier site) Incoterms 2010 and to facilitate any export screening, Oracle is providing the following information as an attachment to the Std PO:

- Oracle Customer's Ship To name, street address, city, state, and country
- Oracle Customer's end customer name, street address, city, state, and country where this differs from the 'Ship To' information
- Export Control Classification Number (ECCN)
- Sub ECCN
- Schedule B: (US shipments only)
- Their own Commercial Invoice generated to export the goods

A sample PO attachment format is detailed as follows:

- End Customer Name: Tianjin Medical Security Bureau
- End Customer Address: No. 26 Xixia Road, Xiqing District
- End User City: Tianjin City
- End User Postal Code: 300040
- End User Country: CN
- ECCN: 5A002
- SUB ECCN: A.3
- Schedule B:

6.5 Shipping Documentation and Labeling

Shipment confirmation (on Oracle GSI) triggers the generation of the required Oracle shipping documents and label(s) for the individual shipment. These are made available for printing at the supplier shipping location.

6.5.1 Oracle Responsibility – Documents and Labels

Table 6-2 Oracle Shipping Documents

Document	Created By	Required	Exceptions
Commercial Invoice	Oracle	Conditional	Not printed for: (1) shipments to Austria; Belgium; Czech Republic; Denmark; Finland; France; Germany; Hungary; Italy; Luxembourg; Netherlands; Poland; Portugal; Spain; Sweden; United Kingdom; Ireland; Bulgaria; Cyprus; Estonia; Greece; Latvia; Lithuania; Romania; Slovakia; Slovenia; Norway; USA; (2) shipments to Oracle Spares in Singapore no longer receive an Oracle Commercial Invoice. These shipments are imported to the Supplier Invoice.
Packing List	Oracle	Always	None
End Customer Shipping Address Labels	Oracle	Always	None

Documents must be transferred as print files to the supplier through the Business-to-Business (B2B) infrastructure.

Oracle Commercial Invoice

The Oracle Commercial Invoice (where applicable) and Packing List must be attached to the goods along with supplier exportation documentation and other documents relevant to the shipment as required.

For a sample Oracle Packing List, refer to *Appendix D, Sample Oracle Packing List*, on page 34 and for a sample Oracle Commercial Invoice, refer to *Appendix E, Sample Oracle Commercial Invoice*, on page 35.

6.5.2 Supplier Responsibility – Documents and Labels

There are a number of documents which the suppliers are required to produce to support the shipment process.

The product labels are always required and must be applied during post production. A sample format can be found in *Section 6.5.3.2, Product Labels*, on page 19.

The others are conditional upon certain things like region or Ship To country, product type, or Dangerous Goods (DG).

Table 6-3 Supplier Shipping Documents

Document(s)	Created By	Required	Exceptions
Commercial Invoice	Oracle	Conditional	When there is no export from the country of supply. For example, US supply direct shipped to a US end customer address.
Packing List	Oracle	Always	None
Manufacturing and Product Labels	Supplier and Oracle	Always	None
DG Declaration	Supplier	Conditional	Oracle must identify items containing DG
Certification documents	Supplier	Conditional	Upon (Oracle) request

For these types of documents and labels a specification or template is supplied to support this and Oracle ensures that the supplier has the necessary information to complete the documents and determine the conditions.

Supplier Commercial Invoice

For import purposes, the Supplier Commercial Invoice must contain the following data as a minimum requirement:

- Seller's name, address, and contact details
- Ship from point (if different)
- Sold to party name and address
- Ship To party name and address (supplied in the PO attachment)
- A unique commercial invoice number
- The date of the invoice
- The Oracle PO number
- The Incoterm and the Named Place (for example, FCA Narita)
- The currency used for any values
- For each item being shipped, the following data is required:

- The shipping quantity
- The Oracle part number and description (including the HS Code)
- Value of each as well as the extended value
- COO
- A total value for the goods on the invoice
- The number and kind of packages (these values can appear on the Supplier Packing List instead)
- Gross and net weight and volume (these values can appear on the Supplier Packing List instead)

Supplier Packing List

To facilitate receiving in a timely and efficient manner, the Supplier Packing List must contain the following data as a minimum requirement:

- Seller's name, address, and contact details
- Sold to party name and address
- Ship To party name and address
- A unique Packing List number
- The date of the shipment
- The Oracle PO number
- The Incoterm and the Named Place (for example, FCA supplier's site [Incoterms 2010])
- For each item being shipped, the following data is required:
 - The shipping quantity
 - The Oracle part number and description (including the HS Code)
 - Country of origin (COO)
- The number and kind of packages
- Gross and net weight and volume

6.5.3 Shipping Labels

Each shipment requires two types of shipping labels. One is generated by Oracle and is referred to as the shipping address label. The other is the product label which is generated by the supplier.

6.5.3.1 Shipping Address Labels

The shipping address labels only contain the customer's address and order details. No part number information is printed. The shipping address label is generated by Oracle.

Supplier responsibilities:

The supplier must print and apply the shipping address labels.

NOTE 6: A label is required to be applied to each transportation unit or piece on the shipment; the piece count provided by the supplier in the ASN is used to generate the required number of labels.

A sample shipping address label is shown in *Figure 6-4, Example Shipping Address Label*, on page 14.

Figure 6-4 Example Shipping Address Label



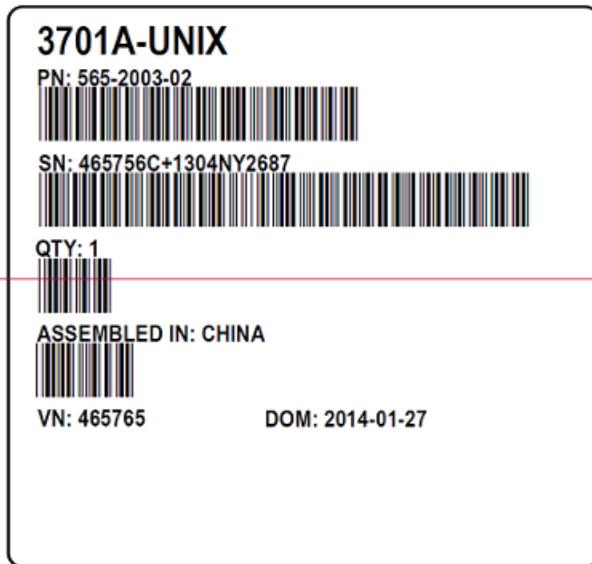
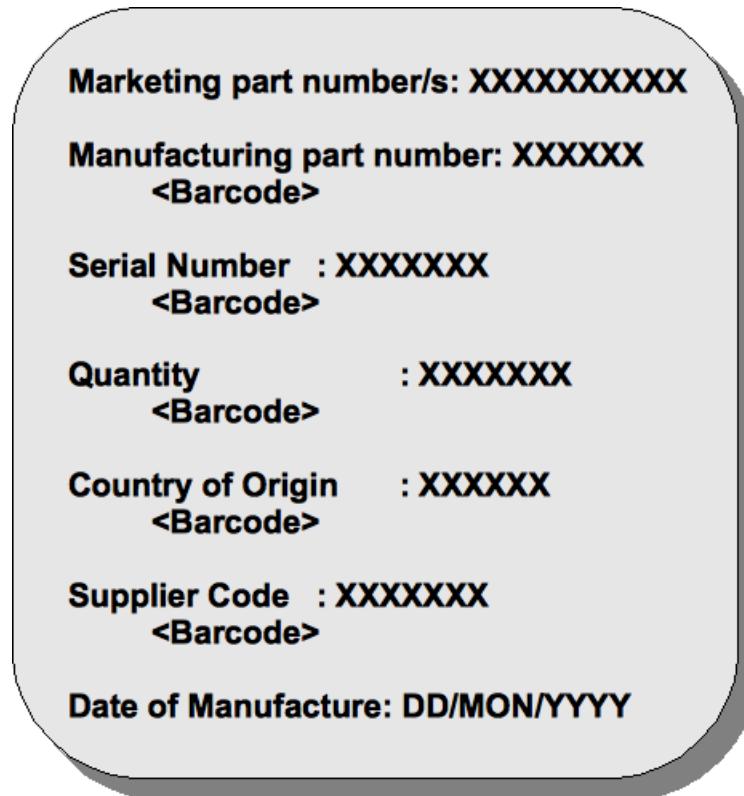
6.5.3.2 Product Labels

Supplier responsibilities:

Each box in a shipment requires a product label. Product labels are generated, printed, and applied by the supplier in a format defined by Oracle.

An example or mock up of the product label is shown in 6-5, *Example Product Label*, on page 15.

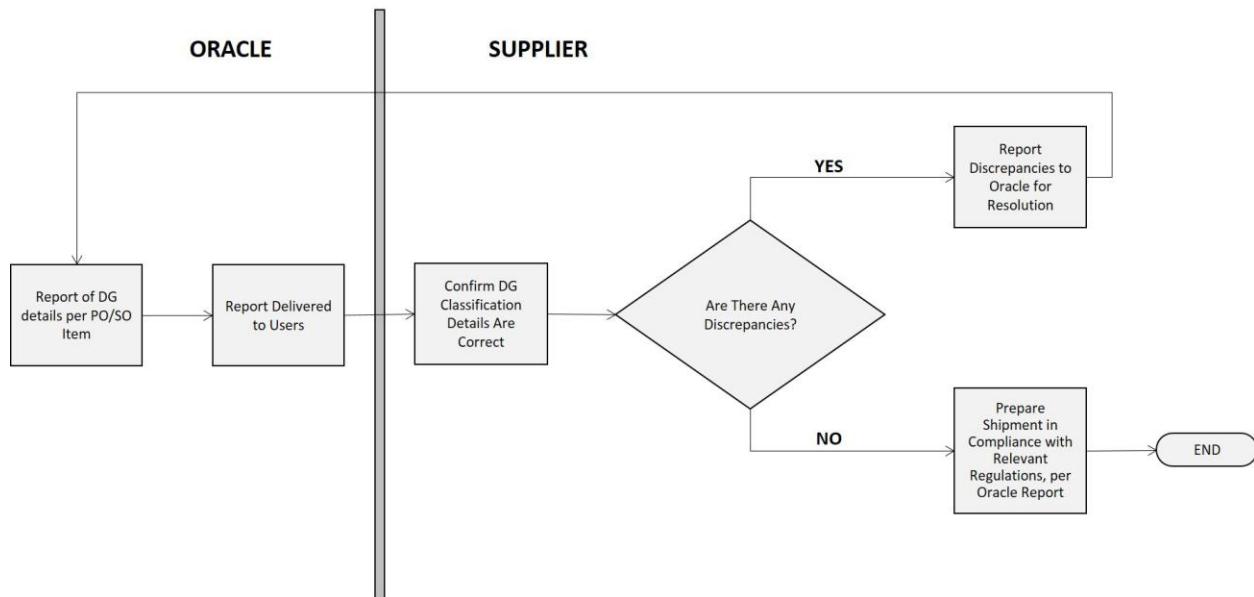
Figure 6-5 Example Product Label



6.5.4 DG Declaration

When a product contains DG, certain documentation and labeling are required to ensure that the shipment is compliant with DG Regulations. The basic DG solution is depicted in *Figure 6-6 DG Documentation Solution*, below.

Figure 6-6 DG Documentation Solution



For components, Oracle must maintain the following:

- DG classification
- UOM
- DG amount

Oracle must provide suppliers with a report(s) which identify items containing DG.

Supplier responsibilities:

Supplier must manage DG information for each shipment referencing CSO and PO lines to support the generation of DG documents. Refer to *Figure 6-7, Shipping Document Print Solution*, on page 24, for examples.

Supplier is responsible for providing creation software and report data so that the shipper can print and sign off any Dangerous Good (DG) Declarations.

Oracle specifies DG requirements for suppliers within the following documents:

- *Global Supplier Management: Specification for the Environment - Dangerous Goods*, 914-1769-xx.
- *Global Supplier Management: Specification for the Environment - Dangerous Goods Label Placement*, 914-1771-xx.

6.5.5 Certification Documents

For some shipment destination countries, the import authorities require supporting documents (for example, a COO) to complete the import process.

Supplier responsibilities:

When Oracle or Oracle's logistics provider is not legally able to provide the required documentation, Oracle requests these from the supplier.

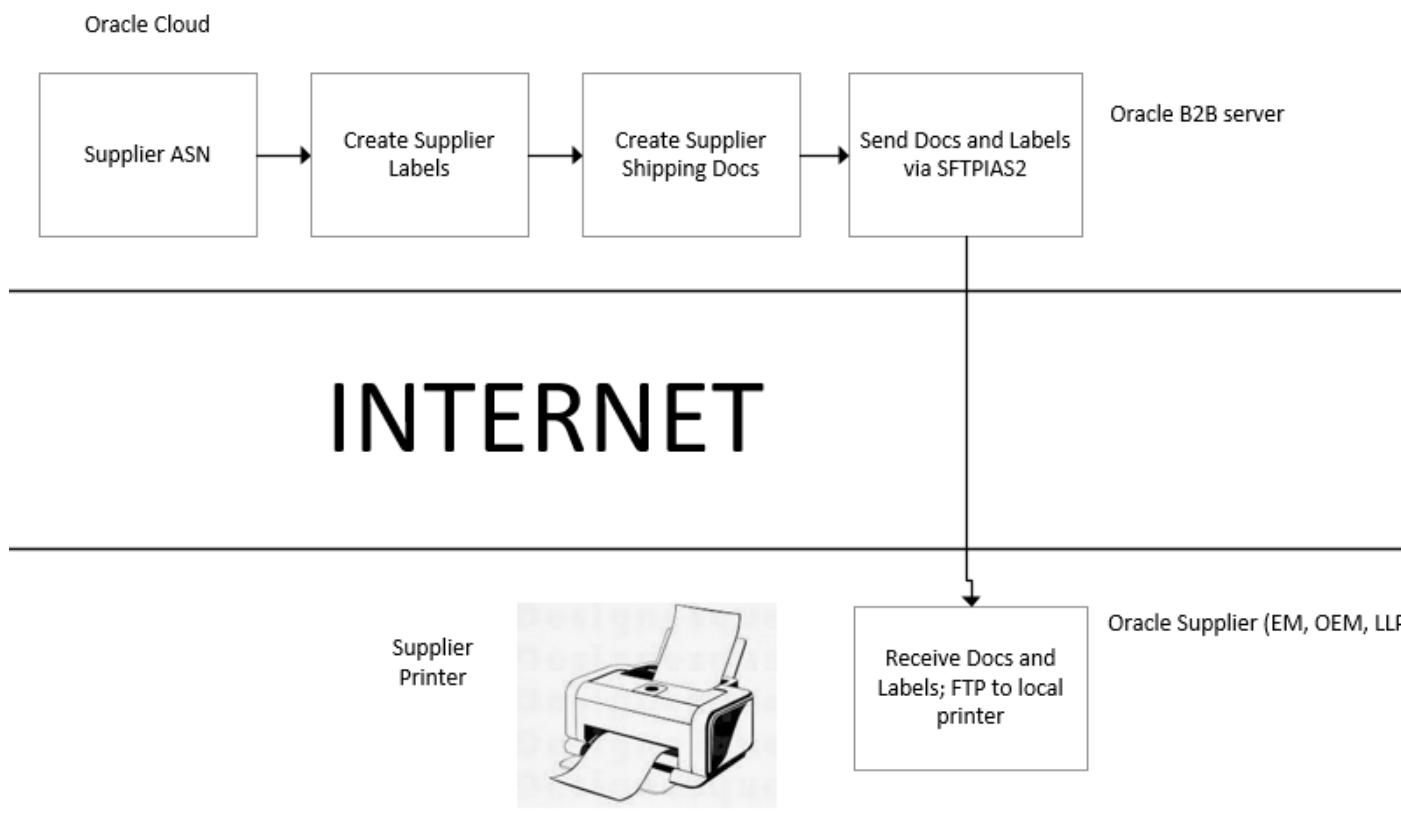
6.5.6 Oracle Shipping Document Print Solution

The Oracle Shipping Document print solution supports the following two print formats for external supplier locations:

- Commercial Invoice and Packing List in PDF format on laser printer US letter size
- Shipping address labels in ZPL format on zebra printer on a four inch square label printed at 600 DPI but can accept 300

The print solution is depicted in *Figure 6-7, Shipping Document Print Solution*, below.

Figure 6-7 Shipping Document Print Solution



B2B Printing: Transfer of Cloud print files system to system through B2B infrastructure using file transfer protocol (FTP) or Applicability Statement 2 (AS2) protocols.

6.6 Physical Shipment Preparation

The supplier is responsible for tendering of a customer ready shipment to a carrier designated by Oracle's logistics provider. These responsibilities include ensuring the following:

- Supplier (or the supplier's agent) is EOR for all shipments where export is required (shipping under FCA [supplier site] Incoterms 2010).
- The product is packaged according to agreed packaging standards.

- When shipping a product that is small in size (and therefore subject to increased risk of loss in transit), Oracle and Oracle's logistics provider may request that the supplier places the product in an overbox to create a single transportation 'unit'.

NOTE 7: The full process details for overboxing are documented in the SOP agreed between the supplier and Oracle's logistics provider. For details on shipping address labeling, refer to *Section 6.5.3.1, Shipping Address Labels*, on page 18.

- Palletization meets the agreed standards and complies with destination country requirements (for example, heat stamps) for importation.
- Orders cannot be mixed on multiple pallets or multiple orders on a single pallet unless clearly marked for the logistics provider and stated in the SOP agreed between the supplier and the logistics provider.
- Palletization meets transport requirements (for example, they must not exceed a stack height of a lower deck air freight unless agreed in the Service Level Agreement [SLA] or where the product height itself exceeds the lower deck AF restrictions).
- Oracle shipping paperwork is attached to the shipment. Packing lists must be attached to the box of the sales order or line. The Commercial Invoice and any other paperwork must be attached as appropriate for specific supply site (included in the SOP agreed between the supplier and the logistics provider).
- Supplier must create DG declaration when required and ensure that people preparing DG declarations are certified (process subject to inspection).
- Supplier must tender products to Oracle's logistics provider by the agreed transportation cutoffs. The timings for cut-off are documented in the SOP agreed between the supplier and the logistics provider.
- Supplier must notify Oracle's logistics provider, in addition to Oracle, of any delays to planned shipments daily.
- Supplier must assist Oracle's logistics provider and Oracle in daily reconciliation of ASN and tendered shipments discrepancies.

6.7 SO Exception Management

This process details the interactions between the supplier and Oracle to manage order exception conditions that arise after the SO is scheduled. The processes focus on the following two areas:

1. Supplier exceptions which are limited by design to those conditions which impact the ability to execute shipment of the full order line quantity on the PO promise date
2. The customer induced exceptions which require Oracle pre-approval and generally attract a management fee

The general approach is to utilize Cloud automation where it is available (and makes sense) and to ensure that the supplier PO is updated to reflect the current execution date (to prevent undesired shipments or error conditions).

Change Order Impact Summary

The impact of the key Change Events are detailed in *Table 6-4, PO Change Impact Summary*, on page 14.

Table 6-4 PO Change Impact Summary

Change Details	Initiator	Reason	Action by Oracle Buyer or Supplier
Full PO Line Quantity	Supplier	Supplier is unable to satisfy the full quantity on the original need by date	Supplier initiates a Change Request which the Buyer approves at the PO line level before the corresponding update is made to the SO. Where there is insufficient material to build the total quantity requested on any given day, the supplier must utilize the Shipment Priority classification provided by Oracle to distinguish the order of priority, that is, support priority orders first and then first-in-first-out (FIFO). Where the change request impacts an order detailed on the Load Order report, the supplier must notify the logistics provider of the change. Refer to the Logistics Provider SOP for additional process details.
Cancel Illegal Configuration or End of Life (EOL) Part	Supplier	System configuration is deemed illegal or contains an EOL part	The Oracle buyer must notify the supplier of the cancellation and request the supplier to provide/quote any fees (if required) associated with the dekit of the product. The Oracle buyer must add a new line to the Std PO (or create independent Expense PO) for the fee.
Expedite Request	Oracle	The process is initiated within Order Management. Each approved escalation must be identified through the addition of a shipment priority code. The Oracle buyer must interact with the supplier to establish if a date improvement is possible	The supplier initiates a Change Request which the buyer approves. Buyer then works through the reschedule process with Backlog Management – all Expedite requests must flow from the Sales Order through to the Purchase Order (and lastly to the supplier).
SO on Hold	Oracle	SO goes on hold after the order is scheduled	When Oracle places the Hold on the Sales Order, the supplier must be provided with written direction to stop building (a 'Stop Build' notice) and the associated Purchase Order must be canceled.
Split Line Quantity	Oracle	Customer requests to split the quantity on an existing order line	The buyer and Backlog management make changes to the Sales Order/Purchase Order to match the split quantity and dates.
Quantity	Oracle	Customer requests a quantity reduction on an existing order line	The Oracle Buyer must notify the supplier in advance of affecting a change to the schedule date. The Oracle buyer must only identify a decrease in order line quantity. Increases are not allowed, therefore, a new order line is required from the customer.
Canceled Order Line	Oracle	Customer requests	The Oracle buyer must notify the supplier of

		the full cancellation of an existing order line	the cancellation and request the supplier to provide any fees (if required) associated with the dekit of the product. The Oracle buyer must add a new line to the Std PO for the fee (or create new Expense PO for the fee).
--	--	---	--

6.8 Delivery

Shipments must be tendered to the logistics provider's designated carrier on the PO promise date. Upon delivery, the logistics provider sends an electronic POD to Oracle to complete the shipment cycle.

7 RTV

The Oracle Buyer initiates the RTV request:

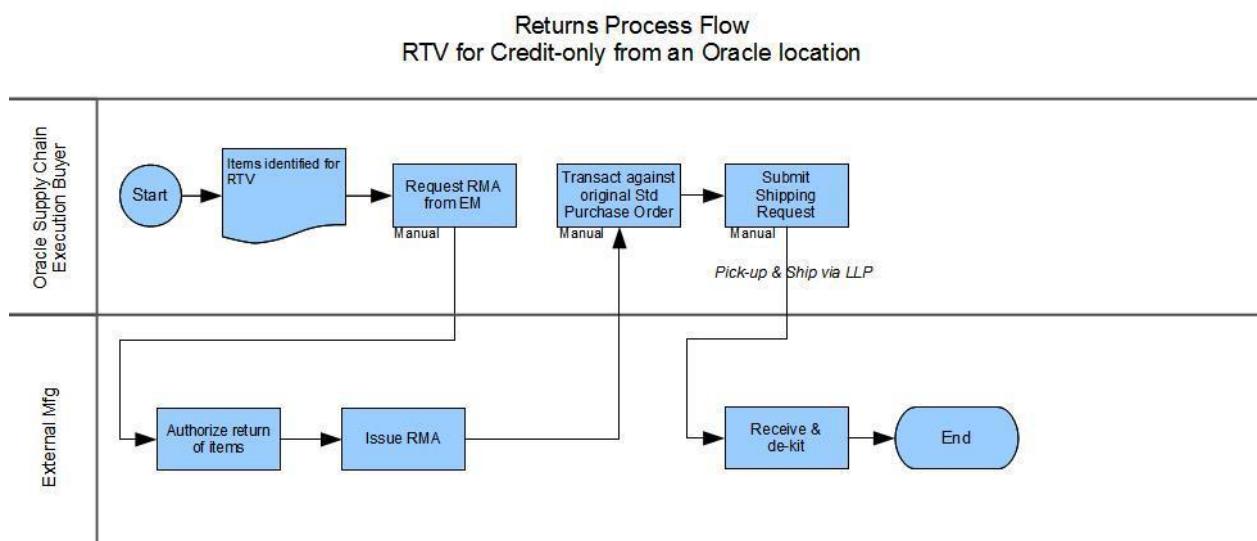
Supplier responsibilities:

The supplier must provide the fee for the return, return material authorization (RMA) number, Ship To address, contacts, and other relevant details within five business days from date the buyer notifies the supplier of intent to return material.

Once Oracle is in receipt of the RMA number (and the associated information), Oracle must complete export licensing and must complete the shipment under the DAP Incoterm 2010. Oracle's logistics provider delivers the product to the shipment address specified by the supplier.

The supplier must provide a written confirmation (an e-mail) of the product receipt.

Figure 7-1 RTV Process Flow



8 Supplier Invoicing and Payment

Oracle's preferred invoice submission is electronically submitted through either the Oracle B2B Gateway or through the Cloud Portal. For invoices that are submitted through the Oracle B2B Gateway, a functional acknowledgment confirms the receipt of the transaction. Electronic invoices must be submitted using an AS2 connection to the Oracle B2B Gateway. Files that are not acknowledged must be resent. Invoices must be sent in real time.

Oracle accepts e-invoices in the following format:

- Open Applications Group (OAG) XML (preferred)
- EDIFACT

Suppliers that are not signed up to one of our e-invoicing programs can submit paper invoices, however, long term we intend to onboard all suppliers with more than 12 invoices per year to one of our e-invoicing solutions.

The billing addresses for submitting paper invoices are as follows:

- Oracle America, Inc, 1001 Sunset Blvd, Rocklin, CA 95765
- Oracle CAPAC Services UC, Block C, East Point Business Park Dublin 3, Ireland
- Oracle EMEA Ltd, Block C, East Point Business Park Dublin 3, Ireland

8.1 Mandatory Data Elements

- Packing slip number (must match the packing slip number of ASN)
- PO number
- PO line number
- Standard Accounts Payable (AP) invoice details (date, invoice number, price, quantity, description, and so on)
- Supplier identification (the supplier number)
- Complies with data formats as outlined in the specification

Files failing to include all mandatory data or files containing invalid data elements are rejected by Oracle.

8.2 Payment Conditions

Invoices cannot be paid by Oracle until an ASN is delivered successfully or where applicable, items are received in internal manufacturing facility.

8.3 Invoicing Recommendations

Oracle recommends that suppliers only submit one invoice per ASN and/or packing slip number in order to reduce the number of rejections or payment delays. All data elements of the file specifications must be populated; no additional information must be submitted since this could lead to further rejections.

8.4 Supplier Payment

Oracle's preferred payment method is electronic. Electronic payment runs are initiated more frequently than check payment runs. Electronic payments are also remitted to your bank account within a shorter time frame.

Oracle provides detailed remittance information with electronic payments and by email.

Contact Oracle's Customer Service Desk (p2p-helpdesk_ww@oracle.com) to sign up for electronic payments or to provide the remittance email address in order to receive the remittance details by email.

Appendix A: List of Acronyms

Acronym	Description
AES	Automated Export System (Filing)
AP	Accounts Payable
ASCP	Advanced Supply Chain Planning
ASN	Advance Shipment Notification
AS2	<i>Applicability Statement 2</i>
ATO	Assemble-to-Order
AVL	Approved Vendor List
B2B	Business-to-Business
BOM	Bill of Material
BPA	Blanket Purchase Agreement
CAPAC	Canada Asia Pacific (Regions)
COO	Country Of Origin
CP	Collaborative Planner
CSO	Customer Sales Order
DAP	Delivered At Place – Incoterm 2010
DCS	Destination Control Statement
DG	Dangerous Goods (classification)
DRPL	Denied and Restricted Parties List
DTD	Document Type Definitions
EBS	E-Business Suite
ECCN	<i>Export Control Classification Number</i>
ECO	Engineering Change Order
EEI	Electronic Export Information
EIN	<i>Employer Identification Number</i>
EMEA	Europe Middle East and Africa
EOB	Exporter of Record
FCA	Free Carrier (named place) – Incoterm 2010
FGI	Finished Goods Inventory
FIFO	First-in-first-out
FLT	Fixed lead-time
FOB	Freight On Board – Not Incoterm
FRU	Field Replacement Unit
FTL	Full Truck Load
FTP	File Transfer Protocol
GBPA	Global Blanket Purchase Agreement
GCIS	Govt. Customer Information System (U.S)
GSI	Global Single Instance (Oracle ERP)
GTM	Global Trade Management
LOR	Load Order Report
LTL	Less Than Full Truck Load
MSA	Master Supply Agreement
OAI	Oracle America Inc.
OCAPAC	Oracle CAPAC
OEML	Oracle EMEA Ltd
OSP	Outside Processing
PO	Purchase Order
POD	Proof Of Delivery

Supplier Specification – Direct Shipment

Acronym	Description
PPA	Post Pack Audit
PTO	Pick-to-Order
RFI	Request For Information
RMA	Return material authorization
RR	Revenue Release
RTV	Return To Vendor
SAD	Scheduled Arrival Date
SCE	Supply Chain Execution
SCOP	Supplier Co-Planning
SLA	Service Level Agreement
SO	Sales Order
SOP	Standard Operating Procedure
SSD	Scheduled Ship Date
TLT	Transportation lead-time
TRE	Transport Request Entry
UOM	Unit of Measure
USPPI	US Principal Party in Interest
WMS	Warehouse Management System

Appendix B: Std PO Data Elements

Section	Element	Description	Purpose of SO Data
PO Header	Type	Std PO is the most common type of PO used by Oracle to procure product from suppliers	
	Order	A unique identifier composed of the Oracle region where the product is sourced from and a series of numbers. For example, US914502.	
	Revision	Begins at 0 and is incremented by 1 each time a change is made to the Std PO	
	Order Date	Date when the Std PO was created	
	Revision Date	Date when the Std PO was modified	
PO Header	Supplier	Contains name, street address, city, state, and country information	
	Ship To	Contains name, street address, city, state, and country information	
	Bill To	Contains name, street address, city, state, and country information	
	Supplier Number	Unique identifier assigned to the supplier	
	Payment Terms	Terms by which Oracle must pay the supplier	
	FOB	Shipping point	
	Confirm To and Telephone	Name of the Oracle Buyer and their phone number	
	Requester or Deliver To	Name of the customer and their telephone number	
Line	Line	The line number of line on the Std PO	
	Part Number and Description	Oracle-determined part number nomenclature and description	
	Delivery date and time	Promised date of the delivery of the Std PO by the supplier and needed date of the Std PO set by Oracle	
	Quantity	Number of units ordered on the Std PO	
	Unit of measure (UOM)	Unit-of-measure	
	Base Unit Price (USD)	Initial unit price	
	Unit Price	Unit price	

Supplier Specification – Direct Shipment

Section	Element	Description	Purpose of SO Data
Bill-of-Material Attachment	Amount	Extended price for the line	
	Level	Bill-of-Material depth for the Item number	
	Quantity	BOM quantity for the Item number	
	UOM	Unit-of-measure	
	Item number	Oracle-determined part number nomenclature	
	Description	Oracle-determined part number description	
SO Information Attachment	Schedule B		Required for supplier's role as USPPI / EOR
	Order Number	Oracle customer's SO number	
	Line Number	Line number on the SO	
	Ship To Address	Oracle customer's Ship To street address, city, state, and country	Required for supplier's role as USPPI / EOR and for inclusion on supplier commercial invoice
	End Customer Address	Oracle customer's Ship To street address, city, state, and country	Required for supplier's role as USPPI / EOR
	ECCN	Export control classification number	Required for supplier's role as USPPI / EOR
Ship Instruction Notes	Sub ECCN	Subclass of ECCN	Required for supplier's role as USPPI / EOR
	Ship Priority	Classification used by Oracle to distinguish order of priority is only used under circumstances where there is insufficient material to build product	

Appendix C: Oracle Procuring Entities

The addresses for Oracle procuring entities are as follows:

- Oracle America orders (OAI):

Oracle America, Inc.
500 Oracle Parkway
Redwood City, CA 94065
United States

- Oracle Canada and APAC orders (OCAPAC):

Oracle CAPAC Services UC
IE 6556973 V
East Point Business Park
Fairview,
Dublin 3, D03E8N6
Ireland

- Oracle EMEA orders (OEML):

Oracle EMEA Ltd
East Point Business Park
Fairview,
Dublin, 3
Ireland

Appendix D: Sample Oracle Packing List



Oracle Ukraine License
PANASA MIRNOGO STREET 26
Kiev
Ukraine
Kiev, 252011
UKRAINE

PACKING LIST

Page 1 of 1

Shipping Ref	SO-30046345-1-1 <th>Incoterm</th> <td>DAP</td>	Incoterm	DAP
Sales Order No	30046345	Letter of Credit	
Date Shipped	09 Aug 2011	No. Boxes Shipped	1
Customer PO No	NA	Gross Weight	165 KGM

BILL To: SC DAAC SYSTEM INTEGRATOR SRL 10 CALEA IESILOR CHISINAU, 2069 MOLDOVA	Ship To: SC DAAC SYSTEM INTEGRATOR SRL 10 CALEA IESILOR CHISINAU, 2069 MOLDOVA Attention Of: Dmitri Gumenlli Telephone: (22)509747	
Line Order Qty Marketing Part Number Description Shipped Qty Comprising Manufacturing Part Number Assembled In Qty Per Country		
1 1 SE5000-FAM-SUN-Z SPARC Enterprise M5000 server		
Serial Number : BDF1132758 License: US primary ENC		
ECCN: 5A002 SUB-ECCN: A.1		
Consisting of:		
Qty	Part Number	Description
1	SEFASY13Z	SPARC Enterprise M5000 server, base (for factory installation)
1	SEFY61P	IO unit with 4 PCIe slots and 1 PCI-X slot (for factory installation)
4	SELY1D1Z	2 SPARC VII+ 4-core 2.66 GHz processors (for factory installation)
8	SELY2B2P	Eight 2 GB DDR2-667 DIMMs (for factory installation)
1	SELY8TF1P	DAT option filler panel (for factory installation)
4	SELY8E11P	One 300 GB 10000 rpm 2.5-inch SAS HDD with bracket (for factory installation)
1	4447A-Z-N	Sun Quad-port Gigabit Ethernet Adapter UTP
2	SG-PCIE1FC-QF8-Z	StorageTek 8 Gb Fibre Channel PCIe HBA single port QLogic (for factory installation)
4	SELY9P81Z	Power cord: Europe, 4.0 meters, CEE7/VII plug, IEC60320-C19 connector, 16 A (for factory installation)
Remarks: THESE COMMODITIES, TECHNOLOGY OR SOFTWARE WERE EXPORTED FROM THE UNITED STATES IN ACCORDANCE WITH THE EXPORT ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW IS PROHIBITED. Ship to contact details: Dmitri Gumenlli 22509747 dmitri.gumenlli@daac-system.md		
Please refer to the following website http://www.oracle.com/us/products/applications/green/waste-and-product-returns-185031.html . For information on Oracle hardware product return and recycling.		
End of Packing List (Total Pages 1)		

Appendix E: Sample Oracle Commercial Invoice



COMMERCIAL INVOICE

Page 1 of 1

Oracle Ukraine License
PANASA MIRNOGO STREET 26
Kiev
Ukraine
Kiev, 252011
UKRAINE
VAT Reg No: n/a

Comm Inv No	SO-30046345-1-1	Incoterm	DAP
Order No	30046345	Letter of Credit	
Date Shipped	09 Aug 2011	Payment Terms	30 NET
Customer PO No	NA	Currency	USD

Ship From: CEZ - Celestica Corp. - OE Calle Octava # 102 Parque Industrial Monterrey Apodaca, NL 66600 MEXICO VAT Reg No: n/a	Bill To: SC DAAC SYSTEM INTEGRATOR SRL 10 CALEA IESILOR CHISINAU, 2069 MOLDOVA VAT Reg No: n/a	Ship To: SC DAAC SYSTEM INTEGRATOR SRL 10 CALEA IESILOR CHISINAU, 2069 MOLDOVA VAT Reg No: n/a																																													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Line</th> <th style="width: 20%;">Marketing Part Number</th> <th>Description</th> <th style="width: 10%;">Shipped Qty</th> <th style="width: 10%;">Unit Price</th> <th style="width: 10%;">Line Total</th> <th style="width: 10%;">Comprising Manufacturing Part No</th> <th style="width: 10%;">Assembled In</th> <th style="width: 10%;">Qty Per Country</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>SE5000-FAM-SUN-Z</td> <td>SPARC Enterprise M5000 server</td> <td>1</td> <td>117,847.90</td> <td>117,847.90</td> <td>30046345+1+1</td> <td>MX Mexico</td> <td>1</td> </tr> <tr> <td colspan="3"></td> <td>Licenses: US primaryENC</td> <td>ECCN: 5A002</td> <td colspan="4">SUB-ECCN: A.1</td> </tr> <tr> <td colspan="9" style="padding-top: 10px;"> Remarks <small>THESE COMMODITIES, TECHNOLOGY OR SOFTWARE WERE EXPORTED FROM THE UNITED STATES IN ACCORDANCE WITH THE EXPORT ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW IS PROHIBITED.</small> <small>Ship to contact details: Dmitri Gumeniuk 22509747 dmitri.gumeniuk@daac-system.md Please refer to the following website http://www.oracle.com/us/products/applications/green/waste-and-product-returns-185031.html For information on Oracle hardware product return and recycling.</small> </td> </tr> <tr> <td colspan="9" style="text-align: right; padding-top: 10px;"> <small>Line Total: 117,847.90 Shipping & Handling: 1,146.84 Invoice Total: 118,994.74</small> </td> </tr> </tbody> </table>			Line	Marketing Part Number	Description	Shipped Qty	Unit Price	Line Total	Comprising Manufacturing Part No	Assembled In	Qty Per Country	1	SE5000-FAM-SUN-Z	SPARC Enterprise M5000 server	1	117,847.90	117,847.90	30046345+1+1	MX Mexico	1				Licenses: US primaryENC	ECCN: 5A002	SUB-ECCN: A.1				Remarks <small>THESE COMMODITIES, TECHNOLOGY OR SOFTWARE WERE EXPORTED FROM THE UNITED STATES IN ACCORDANCE WITH THE EXPORT ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW IS PROHIBITED.</small> <small>Ship to contact details: Dmitri Gumeniuk 22509747 dmitri.gumeniuk@daac-system.md Please refer to the following website http://www.oracle.com/us/products/applications/green/waste-and-product-returns-185031.html For information on Oracle hardware product return and recycling.</small>									<small>Line Total: 117,847.90 Shipping & Handling: 1,146.84 Invoice Total: 118,994.74</small>								
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End Of Commercial Invoice (Total Pages: 1)

Reference Information

Reference Documents and Records

Document Title	Number	ESO Controlled ¹	
		Yes	No
<i>Global Supplier Management: Specification for the Environment - Dangerous Goods</i>	914-1769-xx	X	
<i>Global Supplier Management: Specification for the Environment - Dangerous Goods Label Placement</i>	914-1771-xx	X	
<i>Oracle's bar code labeling specification</i>	950-1419-xx		X

Document History and Approvals

Dash	Rev	Date	Description of Change	Originator
01	A	25 May 2011	Initial release.	N/A
02	A	21 Sep 2011	Updated the document throughout to reflect the change of various processes and requirements as a result of the switch to a new logistics provider.	N/A
02	B	15 Nov 2011	Updated document title.	N/A
<i>Agile History</i>				
Rev	Date	Description of Change	Originator	
03	8 Feb 2013	Updated Planning Section 5 and removed reference to SunExchange.	N/A	
04	27 Jul 2017	Replaced: In Introduction, replaced "its supply base" with "and their sub-tiers." Removed: "Mitigation to 100% ATO Strategy" reference in section 1 Business Approach. Inserted: In section 2, Business Process, language which reads "(Note: confirm customer returns are out of scope)." Updated: Figures 4-1, 5-1, 5-2, and 6-1. Corrected: Table 6-2: in "Created By" column to indicate "Oracle" instead of "Supplier" for all document types. Corrected: Table 6-3: in "Created By" column to indicate "Oracle" for Commercial Invoice, for Packing List, and to indicate "Oracle and Supplier" for Manufacturing and Product Labels. Added "Supplier Packing List" (section 5.5.2 from 923-7041022) after the "Supplier Commercial Invoice." Added Figure 6-6. Changed DPI request on section 6.5.6 to "600 DPI but can accept 300 DPI." Removed bullet 3 (raw level components) from Section 3 Product Scope. Updated from iPortal to iSupplier Portal in Section 6.5.6. Updated the billing addresses in Section 8. Updated the Oracle procuring entities addresses in Appendix C.	N/A	
<i>Fusion History</i>				
05	9 Aug 2021	General: changed iSupplier to Supplier throughout. Updated title. Removed Figure 4-2 Change Order – Component. Removed NOTE 1 in step 2.2 of table 6-1 Process Narrative (Western)	N/A	

¹ All references to documents controlled by Engineering Services were current when this document was released.

All hard copies of this document are to be used for reference only.

		Character format, requirement to copy model and config options from SO line). Section 5-1: removed Demantra references. Updated Collaborative Planner to Supply Chain Planning. Removed Advanced Planning Command Center, Advanced Supply Chain Planning, Inventory Optimization. Table 6-4 changes: Section - Cancel Illegal Configuration or End of Life (EOL) Part. Changed The Oracle buyer must add a new line to the Std PO for the fee to The Oracle buyer will create an expense PO for the fee". Section - Split Line Quantity. Changed "The buyer makes the line quantity split request which is assessed and actioned by the supplier before the change is made to the SO line." to "The buyer and Backlog Management make changes to the Sales order to match the split quantity and dates." Section - Canceled Order Line. Changed 'tThe Oracle buyer must add a new line to the Std PO for the fee' to 'the Oracle buyer will create an expense PO for the fee.' Update Figure 6-2 from R12 to Fusion. Note 3: updated Piece count to box count, not palletized. Added: Gross weight is the physical weight of product. Net should be 85% of gross. Tar should be 15% of gross. It is not required to weigh packaging and/or physical goods without packaging independently. 6.5.1 Removed iSupplier portal and changed to documents must be transferred to supplier thru B2B. Figure 6-4 - replaced with updated example. Figure 6-7: removed reference to IM.	
06	7 Jan 2021	Convert to Redwood template. Add change history back.	N/A

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