

Colony
BRANDS, INC.
& Affiliates

**Drop Ship
Supplier Manual**

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INTRODUCTION

This document is to be used as a resource by Drop Ship Suppliers doing business with Colony Brands, Inc. (“Colony Brands” or “Buyer”) where Colony Brands resells the drop shipped products on a wholesale basis to its affiliated companies (each a “Retailer”) and the Retailers in turn sell the products to consumers (their customers). The affiliated companies (each a Retailer) include: Seventh Avenue, Inc., Montgomery Ward, Inc., Ginny’s, Inc., Country Door, Inc., Midnight Velvet, Inc., Monroe & Main, Inc., Ashro, Inc., The Swiss Colony, LLC, Midwest Catalog Brands, LLC (including its Wisconsin Cheeseman division), and The Tender Filet, Inc. The drop ship process will begin when Colony Brands sends a Drop Ship Purchase Order (“PO”) to Drop Ship Supplier with estimated potential requirements. Supplier will execute that document and the last page of the Colony Brands Drop Ship Supplier Manual and provide Colony Brands with the required Certificate of Insurance (“COI”). Colony Brands and Supplier will communicate via RADIAL with respect to periodic updated estimates for the drop ship requirements and transmit actual Customer Order forms (“COs”) describing the exact number of product orders, product specifications or other requirements, the name of the Retailer(s) and its customer and necessary information for shipping the product direct to each Retailer’s customers. Colony Brands shall be the buyer and all invoices from the Drop Ship Supplier shall be submitted to Colony Brands. Drop Shipper shall ship the ordered products directly to the consumer (Retailer’s customer) according to the COs submitted by Colony Brands. The Retailers have several general merchandise and food mail order and online catalogs that are committed to providing their customers with quality products, gifts, and services. Each takes pride in its products, designs, customer service, and customer satisfaction.

Thank you for being a part of our supplier family. Our supplier relationships have always played a very valuable part in our business. Over the past several years, the Retailers experienced growth in product offerings and sales activity. Because of this growth, we need to look at the procedures we use, the products we buy, and the suppliers from whom we buy. It is our goal to create a relationship with you so that both of our companies can be well informed and profitable.

We require your support so that we may reduce costs and waste in shipping, product damage and replacements by providing quality products and efficient packaging of items.

The Colony Brands Drop Ship Supplier Manual (also referred to as the Drop Ship Supplier Manual) has been revised/enhanced to provide one consolidated document that contains a comprehensive list of what we expect of all our suppliers, as well as what our suppliers can expect from us. Although we have tried to clearly define our requirements, if you have specific questions, please refer to the Contact List Section of this manual and direct them to the appropriate person. **Please read this manual carefully. If shipments do not conform to our requirements, charge-backs could result.**

We hope that you are as excited as we are with the continuation and/or onset of our relationship. A mutually beneficial relationship with all our suppliers is one of our highest priorities. Our commitment to our suppliers is as strong as the commitment we have to the Retailers’ customers. Thank you for taking a step forward in what we hope will become or will continue to be a long and prosperous relationship.

***** **IMPORTANT** *****

Please COPY/FORWARD this manual to the appropriate parties within your company and/or companies you represent. If shipments do not conform to our requirements, charge-backs could result.

DROP SHIP CONTACT LIST**Drop Ship Team Contacts**

Email: DL-dropship@sccompanies.com

Pam Shaughnessy

Drop Ship Manager

Phone: (608) 324-9187

Email: Pam.Shaughnessy@colonybrands.com

Melissa Wuebben

Drop Ship Coordinator

Phone: (608) 324-4424

Email: Melissa.Wuebben@colonybrand.com

Teri Ellefson

Drop Ship Coordinator

Phone: (608) 324-4674

Email: Teri.Elefson@colonybrands.com

Andra Dolan

Drop Ship Coordinator

Phone: (608) 324-4479

Email: Andra.Dolan@colonybrands.com

Wendy Schmoldt

Accounts Payable – Primary contact

Phone: (608) 328-8917

Email: Wendy.Schmoldt@colonybrands.com

Office Address:

Colony Brands, Inc

PO Box 2815

1112 7th Ave

Monroe, WI 53566

Drop Ship Purchase Order Overview (see Drop Ship PO on page 6)

TOP SECTION:

Contains Colony Brands Invoice information, Drop Ship PO number, amendment number, PO date and page number
Your company name, address, account number, terms of sale, freight terms, and ship info.
All information must be reviewed to ensure accuracy of your company information.

BOTTOM SECTION:

Contains PO terms and conditions per supplier manual, any handling fees, state in which goods are shipped from, catalog pack number, our conversion (color/size) number, QA Spec number and date spec was approved, your item number, description of product, color, size, total estimate for the season (not a commitment to buy), cost, and dropship charge.

PO contract estimated usage, and dates in which costs are effective including contract end date.

General comments section includes your Colony Brands contact team as well as information on revisions to Estimated ship dates in Radial. Signature line includes "Agreed to and accepted by seller" to be used for final sign off on Drop Ship Purchase order.

Drop Ship Purchase Order - Example



DROP SHIP PURCHASE ORDER

PO Number	DS412536
Amendment	4
PO Date	10/13/21
Page	1

1112 7TH AVENUE
PO BOX 2816

All invoicing must be shipment/invoice transmission and submitted via Radial. See Colony Brands Drop Ship Supplier Manual for details.

Seller/Supplier Info		Ship To:	
ANY SUPPLIER #12345		ALL ORDERS MUST BE SHIPPED	
123 MAIN STREET		AS SPECIFIED IN CUSTOMER ORDER	
ANYTOWN WI 51234			
Terms of Sale		Freight Terms	
NET 30		PREPAY & ADD	
		Ship Via	
		SEE BELOW(TRAF NOTE)	

CORRECT PO RELEASE AND ITEM NUMBERS MUST APPEAR ON PACKAGES, INVOICES, SHIPPING PAPERS AND CORRESPONDENCE. PACKING SLIPS MUST ACCOMPANY ALL SHIPMENTS

ACCEPTANCE OF THIS PURCHASE ORDER ("PO") INCLUDES ACCEPTANCE OF: THE TERMS CONDITIONS; PO REQUIREMENTS; PRODUCT SPECIFICATIONS; AND ALL DROP SHIP SUPPLIER MANUAL REQUIREMENTS.

THIS PURCHASE ORDER IS CONTINGENT UPON RECEIPT OF THE ABOVE DOCUMENTS AND ADHERENCE TO OUR PROCEDURES AS OUTLINED IN THE DROP SHIP SUPPLIER MANUAL. IF SHIPMENTS DO NOT CONFORM TO OUR REQUIREMENTS CHARGE-BACKS COULD RESULT.

THIS DROP SHIP PURCHASE ORDER COVERS OUR ESTIMATED USAGE FOR THE ITEMS LISTED ON THE FOLLOWING PAGE S . ESTIMATES ARE SUBJECT TO CHANGE. WE WILL SEND PERIODIC ESTIMATE UPDATES VIA EMAIL. AUTHORIZATION TO SHIP WILL BE YOUR RECEIPT OF ANY CUSTOMER ORDERS (COS)RELEASED VIA RADIAL FROM COLONY BRANDS. PO COVERS ESTIMATED USAGE THROUGH: 06/30/2022 DROP SHIP FEE TYPE: PER ITEM DROP SHIP STATE: WI

PLN # / Item #	Description	Line Status for Line # 01: OPEN		
6788168 / AKYV4	#1234567 SMALL WIDGET			
Line/Release #	Status	Estimated Qty	Price Effective Date	Unit Price
01001	CHANGED	50	12/31/2021	99.99000
FLEX SPEC ID: 99999 VENDOR APPROVED: 99/99/99 DROP SHIP FEE: \$1.00 1% DEFFECTIVE ALLOWANCE				

General Comments

PRODUCT AVAILABILITY AND/OR SHIPMENT DELAYS MUST BE REPORTED IMMEDIATELY TO THE DROP SHIP DEPARTMENT VIA EMAIL TO DL-DROPSHIP@SCCOMPANIES.COM. UPDATED ESTIMATED SHIP DATES MUST BE ENTERED IN RADIAL PER INSTRUCTIONS IN THE DROP SHIP SUPPLIER MANUAL.

By *Pam Shaughnessy* (Authorized Signature)
Purchase Order acceptance is to be confirmed by Seller to buyer and a copy emailed to Pam.Shaughnessy@ColonyBrands.com or faxed to ()
This Purchase Order is subject to the terms and conditions above and the terms and conditions in any of the Contract Documents accompanying or attached to this PO or described or referenced herein.

Agreed to and accepted by seller
Confirmed Date _____
Confirmed By _____

MASTER DROP SHIP TERMS & CONDITIONS
(For Drop Ship Orders of Goods)

1. Drop Ship Order. These Master Drop Ship Terms and Conditions (the "Terms and Conditions"), along with the Colony Brands Drop Ship Supplier Manual, shall be incorporated into every drop ship order ("CO") sent to the Drop Ship Supplier ("Seller") by Colony Brands, Inc. ("CB" or "Buyer") or sent by its Affiliates (each "Retailer"). CB and Seller are independent contractors for the drop shipment of any goods and/or related services that are part of the goods, unless or until specifically modified in writing signed by both Parties referencing an amendment to these Terms & Conditions, notwithstanding references in any documents from Seller to other terms and/or conditions that conflict with these Terms & Conditions. For products ordered under these Terms and Conditions, CB and Retailers do not keep goods in stock/inventory, but instead will transmit customer orders on Order Forms with and shipment details to the Seller (the "COs"), and Seller then ships the goods directly to the consumer customer of Retailer. If custom or private label goods are ordered, the Parties agree to the additional terms to these Terms & Conditions. The initial Drop Ship Purchase Order form ("PO") from Colony Brands is not an offer to purchase the goods described therein. An acceptance of the subsequent CO is limited to the terms of each CO, the earlier PO, all accompanying or referenced documentation, the Drop Ship Supplier Manual, and these Terms & Conditions. Title and Risk of Loss transfers are described below.

2. Acceptance -- Agreement. The Contract Documents must be accepted in writing by Seller. If for any reason Seller should fail to accept in writing, any conduct by Seller that recognizes the existence of a contract or any drop shipment of products pursuant to a CO shall constitute acceptance by Seller of all its terms and conditions, including the Colony Drop Ship Supplier Manual and these Terms and Conditions. Upon acceptance, whether expressly, by shipment or provision of goods purporting to conform to the description, or other conduct that recognizes the existence of a contract, the resulting contract will include: any CO transmittal letter, the CO, any accompanying CO Requirements, any Product Specification(s), the PO, the Colony Brands Drop Ship Supplier Manual (a/k/a Drop Ship Supplier Manual) and these Terms and Conditions (collectively, "Contract Documents"). CB hereby objects to and rejects any terms proposed in any of Seller's quotation, order acknowledgement, invoice or other forms or correspondence that add to, vary from, or conflict with the terms of the Contract Documents. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the contract between the parties and may hereafter be modified only by written instrument executed by both parties. If any order has been issued by CB in response to an offer and is construed as a confirmation or acceptance of such offer, such confirmation or acceptance is subject to the express condition that Seller will assent to the additional and different terms of the Contract Documents as the entire agreement between CB and Seller with respect to the subject matter hereof. Seller shall be deemed to have so assented and acknowledged unless Seller notifies CB to the contrary in writing within ten days of receipt of the CO. The offer made in the Order may be terminated by CB at any time upon written notice to Seller before Seller's acceptance of that offer to drop ship to Retailer's customers.

3. Complete Price Warranty. No Price to the end customer will be shown unless specified in the CO. CB will have the benefit of any price reduction between the order date and date of shipment. Seller warrants that prices shown on the Drop Ship Purchase Order will be complete, to include any shipping, drop ship charges and taxes, and no additional charges of any type will be added without CB's written consent, but any discounts and payments to CB shall not be shown on the CO. Charges to CB will be specifically listed or otherwise incorporated into the Price, including shipping, packaging, labeling, customs duties, taxes, storage, insurance, boxing, crating and similar charges. CB's Retailer will be responsible for collecting and remitting any state sales or use taxes when listed on the CO.

4. Payment. Payment will be made per the terms of the Contract Documents. Discount period, if any, will begin on the later of the date of receipt of complying goods at destination or CB's receipt of Seller's invoice, unless expressly stated otherwise. In the absence of specific payment terms, invoices will be paid on a net 30 day basis from receipt of a proper invoice with required information. Seller is responsible for accurately invoicing and correcting any errors in prior invoices sent to CB for the goods provided hereunder, which obligations survive any payment for incorrect invoices. Seller may not rely on payment as evidence of accuracy and Seller agrees to return any overpayment of monies paid based on inaccurate invoices.

5. Delivery, Shipping, Risk of Loss, Title. Time is of the essence of this contract and if delivery of items or rendering of services is not completed by the time promised, CB reserves the right without liability in addition to its other rights and remedies to terminate this contract and or applicable CO by notice effective when received by Seller as to items not yet shipped or services not yet rendered and to purchase substitute items or services elsewhere and charge Seller for any loss incurred. Seller will deliver the specific quantity ordered by Retailer's customer, and Seller will notify CB

before shipping any partial shipments if allowed. Unless otherwise agreed, all goods and other materials to be provided by Seller per the CO will be delivered to Retailer's customer as F.O.B. customer's location, regardless of who pays for freight even for CB-preferred carriers. CB or Retailer does not intend to take possession of drop ship goods, unless in Wisconsin or a designated return facility. Seller assumes all risk of loss and damage until goods are delivered to Retailer's customer at the location designated in the CO. Insurance that may be obtained by Seller upon such goods is to be at Seller's expense, which is not to be added to the purchase price, but shall be payable to Seller, CB, Retailer, and customer as their interests may appear. No act or omission of CB or Retailer shall have any effect upon the risk of loss of the goods that are the subject of this order. Transfer of title to CB and Retailer and then its customer will only occur while the goods are in interstate commerce with the U.S. Postal Service or a common carrier.

6. Shipments to CB. Generally, all **non-drop ship** arrangements are covered by separate Standard Terms and Conditions and a separate Colony Brands Non-food Supplier Manual or the Colony Brands Food Supplier Manual, as applicable.

7. Inspection/Testing/Nonconforming goods. The Retailer's customer has the right to inspect and test the goods when delivered and to reject any nonconforming goods (including defective, shortfall or excess). In such event, Retailer will charge-back CB and CB will charge-back Seller. Payment by CB will not constitute a final acceptance of the goods, or as a waiver or limitation of any of CB's rights as set forth herein. Nonconforming goods may be returned to Seller at Seller's expense for a full refund, and, in addition to CB's other rights, CB may charge Seller all expenses of unpacking, examining, repacking, and reshipping such goods. No inspection or acceptance by Retailer's customer or payment by CB relieves Seller from its responsibilities for defects, testing, inspection, quality control, or failure to meet the requirements of the CO.

8. Termination for Cause. CB may terminate any contract resulting from the CO or the Contract Documents, or any part thereof, for cause if Seller defaults or fails to comply with any of the terms and conditions of the CO or the Contract Documents or is a party in any bankruptcy, liquidation, or insolvency proceeding. Late deliveries, deliveries of goods that are defective or do not conform to the CO or Contract Documents, or failure to provide CB, upon request, with reasonable assurance of future performance will allow CB to terminate the CO and any resulting contract for cause without CB liability.

9. Termination for Convenience. CB also has the right to terminate any contract resulting from the CO, or any part thereof, without cause at any time prior to delivery with written notice to Seller; and CB's liability for such termination will be limited to Seller's out-of-pocket cost for work and materials applicable solely to work that has been expended as of the time that notice of termination is received by Seller, reduced by the fair market resale value of such work-in-process.

10. WARRANTIES. SELLER EXPRESSLY WARRANTS THAT ALL GOODS FURNISHED PER ANY CONTRACT DOCUMENTS WILL: CONFORM TO ALL SPECIFICATIONS AND APPLICABLE LAWS, REGULATIONS, AND STANDARDS; WILL BE NEW, AND NOT USED, REFURBISHED OR RECONSTITUTED; WILL BE FREE FROM DEFECTS IN DESIGN, MATERIAL AND WORKMANSHIP; AND THAT SELLER HAS GOOD TITLE AND AUTHORITY TO TRANSFER TITLE TO THE GOODS COVERED BY THE CO. SELLER WARRANTS THAT ALL SUCH GOODS, AND THE DISTRIBUTION, SALE AND USE OF SUCH GOODS, WILL NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT IN ANY RELEVANT JURISDICTION. SELLER WARRANTS THAT ALL SUCH GOODS WILL CONFORM TO ANY STATEMENTS MADE ON THE CONTAINERS, LABELS OR ADVERTISEMENTS FOR SUCH GOODS, AND THAT ANY GOODS WILL BE ADEQUATELY CONTAINED, PACKAGED, MARKED, AND LABELED. SELLER WARRANTS THAT ALL GOODS FURNISHED WILL BE MERCHANTABLE, WILL BE SAFE AND APPROPRIATE FOR THE PURPOSE FOR WHICH GOODS OF THAT KIND ARE NORMALLY USED. IF SELLER KNOWS OR HAS REASON TO KNOW THE PARTICULAR PURPOSE FOR WHICH CB OR RETAILER'S CUSTOMERS INTEND TO USE THE GOODS, SELLER WARRANTS THAT SUCH GOODS WILL BE FIT FOR SUCH PARTICULAR PURPOSE. SELLER WARRANTS THAT GOODS FURNISHED WILL CONFORM IN ALL RESPECTS TO SAMPLES. INSPECTION, TEST, ACCEPTANCE OR USE OF THE GOODS FURNISHED WILL NOT AFFECT SELLER'S OBLIGATION UNDER THIS WARRANTY, AND SUCH WARRANTIES WILL SURVIVE INSPECTION, TEST, ACCEPTANCE, AND USE. SELLER AGREES TO REPLACE OR CORRECT DEFECTS OF ANY GOODS NOT CONFORMING TO THE FOREGOING WARRANTIES PROMPTLY, WITHOUT EXPENSE TO CB, WHEN NOTIFIED OF SUCH NONCONFORMITY BY CB, PROVIDED CB ELECTS TO PROVIDE SELLER WITH THE OPPORTUNITY TO DO SO. IN THE EVENT OF FAILURE OF SELLER TO CORRECT DEFECTS IN OR REPLACE NONCONFORMING GOODS PROMPTLY, CB, AFTER REASONABLE NOTICE TO SELLER, MAY MAKE SUCH CORRECTIONS OR REPLACE SUCH GOODS AND CHARGE SELLER FOR THE COST INCURRED BY CB IN DOING SO. EXCEPT AS EXPRESSLY SET FORTH HEREIN, SELLER MAY NOT LIMIT IN ANY MANNER THE TYPE OR AMOUNT OF DAMAGES TO WHICH CB IS ENTITLED FOR BREACH BY SELLER OF THESE WARRANTIES. THE WARRANTIES HEREIN EXTENDS TO CB, RETAILERS, RETAILERS' CUSTOMERS, AND ANY SUBSEQUENT BUYERS, USERS, AND BYSTANDERS. THE WARRANTIES SET FORTH IN THESE TERMS AND CONDITIONS, AND ANY REMEDIES SPECIFIED IN CONNECTION THEREWITH, ARE CONSISTENT WITH AND IN ADDITION TO THOSE PROVIDED BY THE UNIFORM COMMERCIAL CODE.

11. Changes. CB has the right at any time to make changes in drawings, designs, specifications, materials, packaging, time or place of delivery, or method of transportation by written notice to Seller, and Seller agrees to comply with such changes if practical. If any such changes cause a material increase or decrease in the cost or the time for the performance, the Parties will make an equitable adjustment and modify the agreement in writing accordingly. Subject to such agreed adjustments, Seller will implement such changes or other modifications.

12. CB's Design or Specification Input. CB's or Retailers' decision to place any order with Seller was based on Seller's representation that it has expertise in the sale, design, and manufacture of the same kind of goods as the goods described therein. CB or Retailers may provide input concerning the design or specifications for the goods covered by the CO, independently of or in collaboration with CB or any supplier, by reviewing or approving Seller's work-product, submitting its own work-product to Seller, inspecting, or testing processes, prototypes, or samples of such goods (individually and collectively, "CB Input"). In designing the goods covered by the CO and developing specifications therefor, Seller will not rely on any CB Input without independently validating all elements thereof to Seller's satisfaction. Unless otherwise stated in an Amendment signed by both parties, Seller assumes sole and absolute responsibility for the design and specifications of the goods covered by the CO, notwithstanding any CB Input; and no CB Input affects Seller's other responsibilities with respect such goods, whether arising out of warranty, contract, negligence or other tort or strict liability principles.

13. Rights to Goods and Marketing. CB reserves the right, for itself and especially for Retailers, to advertise, offer the goods for sale, and sell such goods at any U.S. retail facility and/or by any medium, including electronic, catalog, or other non-traditional means. With respect to the goods, Seller grants to CB and Retailers and liquidators the right to use the trademarks for the goods and to photograph the goods for sale in catalogs and online. Any ads of the Parties for the goods will not contain any material that is indecent, misleading, deceptive, fraudulent, libelous, obscene, pornographic, or hate speech.

14. Force Majeure. Neither Party will be liable for failure to perform any of its respective obligations hereunder if such failure is caused by an event outside its reasonable control, including an act of God, insurrection, war, natural disaster or act of a third party not under the control of the failing party. The aggrieved party may terminate the Contract Documents or portion thereof without penalties or fees if the other party's inability to perform continues for more than 10 days.

15. INDEMNIFICATION. SELLER AGREES TO AND WILL DEFEND (BY COUNSEL ACCEPTABLE TO CB), INDEMNIFY AND HOLD HARMLESS CB, RETAILERS AND ALL RELATED AND AFFILIATED COMPANIES, AND ALL THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS, ASSIGNS, AGENTS, CUSTOMERS AND USERS OF ITS GOODS (COLLECTIVELY, "CB'S BENEFICIARIES"), FROM AND AGAINST ALL DAMAGES, LOSSES, ROYALTIES, PROFITS, COSTS, CLAIMS, SUITS, ACTIONS, OR LIABILITIES AND EXPENSES INCURRED OR AWARDED (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES OF LITIGATION) ARISING OUT OF OR RESULTING IN ANY WAY FROM: (1) ANY DEFECT IN THE GOODS PURCHASED FROM SELLER; (2) ANY BREACH BY SELLER OF THE CO OR CONTRACT DOCUMENTS; (3) ANY ACT OR OMISSION OF SELLER, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS; (4) ANY VIOLATION OF, OR FAILURE TO COMPLY WITH, ANY APPLICABLE LAW, CODE, REGULATION OR STANDARD BY: (A) SELLER, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS; OR (B) THE GOODS SOLD BY SELLER TO CB OR IN TURN BY CB TO RETAILERS AND THEN IN TURN TO RETAILERS' CUSTOMERS; (5) ANY UNFAIR COMPETITION BY SELLER, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS IN CONNECTION WITH THE USE, POSSESSION, SALE, MARKETING OR DELIVERY OF ANY GOODS SOLD OR PROVIDED BY SELLER TO CB OR IN TURN BY CB TO RETAILERS AND THEN IN TURN TO RETAILERS' CUSTOMERS; (6) EACH AND EVERY RECALL OF ANY GOOD, WHETHER VOLUNTARY OR INVOLUNTARY AND ANY RESULTING LOSS TO CB, ITS AFFILIATES, RETAILERS, OR THEIR CUSTOMERS; (7) ANY OTHER ACT OR OMISSION AS PROVIDED IN THE CONTRACT DOCUMENTS; AND (8) ANY ACTUAL OR ALLEGED DIRECT OR CONTRIBUTORY INFRINGEMENT OF, OR INDUCEMENT TO INFRINGE, OF ANY UNITED STATES OR FOREIGN PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT BY REASON OF THE MANUFACTURE, USE OR SALE OF THE GOODS ORDERED, INCLUDING INFRINGEMENT ARISING OUT OF ACTUAL OR ALLEGED MISUSE OR MISAPPROPRIATION OF A TRADE SECRET RESULTING DIRECTLY OR INDIRECTLY FROM SELLER'S ACTIONS OR THOSE FOR WHICH SELLER IS RESPONSIBLE, INCLUDING ANY JUDGMENT, SETTLEMENT AND/OR ATTORNEYS' FEES AND COSTS FOR ENFORCING THIS PROVISION. THIS INDEMNIFICATION IS IN ADDITION TO THE WARRANTY OBLIGATIONS OF SELLER. CB MAY BE REPRESENTED BY AND ACTIVELY PARTICIPATE THROUGH ITS OWN COUNSEL IN ANY SUCH SUIT OR PROCEEDING IF IT SO DESIRES, AND THE ATTORNEYS' FEES AND COSTS OF SUCH REPRESENTATION WILL BE PAID BY SELLER.

16. Product Liability Insurance. Seller agrees that for a period of at least three years following Seller's last delivery of goods to Retailers' customers, Seller will maintain adequate product liability insurance coverage to cover such liabilities or in the form provided by the certificate of insurance that Seller provided to CB.

17. Recalls. Seller will promptly advise CB and Retailers to stop selling goods subject to a mandatory recall ordered by any governmental agency or a publicly-announced voluntary recall by any supplier of the goods. Seller will provide links to service recalls & safety alerts for U.S. and Canadian consumers. The Parties acknowledge that voluntary or mandatory recalls are costly for online, catalog and mail order sales where customers can be identified after the purchase of a recalled product, and where credit has been provided to customers. In the event of recall of a product (whether voluntary or involuntary), in addition to its indemnification obligations, at CB's sole option and discretion, Seller will: (a) at Seller's expense, subject to CB's request and approval, (i) prepare and send, or reimburse CB and Retailers for preparing and sending, adequate written notification of the recall to CB's and Retailers' customers who purchased such product and/or (ii) provide any other type of notification that may be required by any applicable governmental authority and/or be reasonably required by CB or Retailers to provide adequate notice to Retailers' customers, and (iii) arrange (in a manner and process acceptable to CB and Retailers) and pay for all other costs and expenses associated with the recall and/or exchange of the product and any loss to CB, Retailers or their customers; and/or (b) pay CB and Retailers for all their and Retailers' customers' actual direct and indirect costs, expenses (including attorney's fees) and damages incurred in connection with (i) CB and Retailers providing notification to Retailers' customers in a manner CB and Retailers reasonably deem necessary, and (ii) the recall and/or exchange of the product and any loss to CB, Retailers or their customers. In all recall cases, Seller will cooperate fully with CB, Retailers and any applicable governmental authorities concerning the recall and implementing a responsive process to: (i) prevent any loss and minimize any inconvenience to CB, Retailers and their customers; (ii) ensure that payments are made to CB and/or Retailers so that it/they may properly account to Retailers' customers; and (iii) account fully to CB and Retailers for all returned products and payments. Retailers resell products to consumers on first party credit, and Seller will directly reimburse Retailers, at their option and discretion unless otherwise government mandated, for the refunds or credit account adjustments to be made by Retailers to their customers. At CB's request, Seller will take responsibility for accepting and processing customer returns of recalled products.

18. Compliance with Laws, Regulations, and Industry Standards. (1) Seller will comply with all applicable federal, national, state, provincial, local, and other applicable laws, codes, and regulations in effect at the time of shipment of goods. (2) Seller further represents and warrants that all goods covered by the CO have been produced, manufactured, and labeled for interstate sale and comply with all applicable federal, national, provincial, state, local and other applicable laws, codes and regulations (specifically including, but not limited to, the California Safe Drinking Water and Toxic Enforcement Act of 1986, as amended [more commonly referred to as Proposition 65 and anti-corruption laws of the U.S. Foreign Corrupt Practices Act, and with the laws, codes and regulations of the country of origin. (3) Seller will comply with any other applicable laws, codes, regulations, or industry standards governing the manufacture, sale, labeling, branding, packaging, shipment, importation, distribution, or sale of the goods covered by the CO and the containers of such goods. (4) Seller further agrees that all goods sold comply with the applicable industry standards in effect at the time of shipment of goods, including ASTM, IFA, UL, USP–NF, and/or NIST. (5) To the extent they are applicable to Seller's performance hereunder, Seller hereby certifies that it and all goods furnished hereunder comply with applicable provisions of the U.S. Fair Labor Standards Act of 1938, as amended; and laws relating to equal opportunity and nondiscrimination in employment.

19. Ingredients or Components Disclosure and Special Warnings and Instructions. If requested by CB or Retailer, Seller will promptly furnish CB in such form and detail as CB may direct: (a) a bill of materials for or list of all ingredients, components or constituents in the goods purchased hereunder, (b) the amount of one or more ingredients, components, or constituents, and (c) information concerning any changes in or additions to such ingredients, components, or constituents. Prior to and with the shipment of goods purchased hereunder, Seller agrees to furnish to CB, Retailers and Retailers' customers sufficient written warning and written notice, including appropriate labels on goods, containers and packaging, of any hazardous material that is an ingredient or a part of any of the goods, together with such special handling instructions as may be necessary to advise anyone as to how to exercise that measure of care and precaution that will best prevent bodily injury and property damage in the handling, transporting, processing, use and/or disposal of the goods, containers and packaging shipped to Retailers' customers.

20. CB's Property; Tools, Design Work, Drawings, Specifications and Technical Information. Except as otherwise specifically provided, CB and Retailers have no obligation to furnish or pay for any design work, drawings, tools, molds, or other equipment required for the performance of the Contract Documents.

21. Assignments and Subcontracting; Retailers. No part of the Contract Documents may be assigned or subcontracted by Seller without the prior written approval of CB. Any assignment without such approval will be void. The Parties acknowledge that CB arranges for the purchase goods for resale by Retailers to their customers. All

Retailers and their affiliated companies are third party beneficiaries of the Contract Documents.

22. Setoff. All claims or rights by Seller for money due, or to become due, from CB will be subject to deduction or setoff by CB by reason of any sums owed or payable to CB or Retailers or their affiliates or claimed by CB, Retailers or their affiliates (including, but not limited to Charge-backs) due to Seller's obligations or breach under the Contract Documents or as otherwise arise out of the CO or any other contemplated by these Terms and Conditions and/or such setoffs may be enforced as provided in the Colony Brands Drop Ship Supplier Manual.

23. Shipment. If Seller can fulfill its delivery obligation only by shipping by a premium method, the premium charges will be prepaid by Seller unless the necessity for such rerouting, expedited handling or increased costs is attributable to CB's breach of its obligations hereunder or other misconduct.

24. No Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions of the Contract Documents will not be a waiver of any such term, covenant, or condition. Any waiver or relinquishment of any right or power hereunder at any time will not be a waiver or relinquishment of that right or power at any other time.

25. Confidential Information. All Contract Documents are confidential; and Seller agrees that none of the details connected therewith will be published or disclosed by Seller to any third party without CB's prior written permission. As between CB and Seller, all specifications, drawings, technical information, and data furnished by CB or Retailers to Seller remain the property of CB.

26. Contract Documents; Entirety; Consistent Interpretation and Cumulative Remedies. The Contract Documents and any mutually agreed written amendments and modifications signed by the parties constitute the entire agreement between the Parties relating to the purchases made or transactions contemplated thereunder. CB is not bound by or liable to Seller for any representation, promise, or inducement not embodied therein. The Contract Documents are intended to be interpreted in a consistent and cumulative manner, and all obligations, rights and remedies provided therein are intended to be cumulative.

27. Electronic Transmission or Signatures Binding. CB and Seller agree to allow contract communications and to sign and/or transmit Contract Documents electronically (including e-mail); and the CB and Seller agree that they will be bound by, and not contest the validity or enforceability of, any Contract Documents on the basis that they were electronic. CB and Seller each represents to the other that the persons signing or transmitting any of the Contract Documents is authorized to bind their respective companies by such actions for such purposes; and such electronic transmittals will constitute valid and binding signatures on behalf of the party transmitting them. Computer maintained records of a party when produced in hard copy form constitute business records and have the same validity as any other business records.

28. Governing Law, Jurisdiction and Venue, Language. All Contract Documents are governed by the laws of the State of Wisconsin, without reference to its conflicts of laws principles. THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE NOT GOVERNED BY THE 1980 U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS. To the extent any CO entails delivery or performance of ancillary or related services, such services will be deemed "goods" within the meaning of the Uniform Commercial Code, except when doing so would result in a clearly unreasonable interpretation. Any litigation regarding the CO or Contract Documents, or the relationship of, or disputes arising between, the Parties related thereto may be filed in either the U.S. District Court for the Western District of Wisconsin or the Wisconsin Circuit Court of Green County; and the Parties hereby consent to jurisdiction and venue of those courts for any such litigation. All Contract Documents, correspondence, packing slips and other documentation provided will be in English.

29. LIMITATION ON CB'S AND RETAILERS' LIABILITY. IN NO EVENT WILL CB OR RETAILERS BE LIABLE FOR ANTICIPATED PROFITS, FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR PUNITIVE OR EXEMPLARY DAMAGES. CB'S AND RETAILERS' LIABILITY ON ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THIS AGREEMENT OR FROM THE PERFORMANCE OR BREACH OF THE CONTRACT DOCUMENTS WILL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE GOODS THAT GIVES RISE TO THE CLAIM. CB WILL NOT BE LIABLE FOR PENALTIES OF ANY TYPE.

**ADDITIONAL TERMS AND CONDITIONS
FOR SPECIALLY MADE OR CUSTOM GOODS**

THESE ADDITIONAL TERMS AND CONDITIONS APPLY FOR GOODS SPECIALLY MADE TO CB'S OR RETAILERS' SPECIFICATIONS, SELLER WAIVES ANY CLAIM AGAINST CB OR RETAILERS, UNDER THE UNIFORM COMMERCIAL CODE OR OTHERWISE, INCLUDING ANY HOLD HARMLESS OR SIMILAR CLAIM, AND INCLUDING CLAIMS ARISING OUT OF COMPLIANCE WITH SPECIFICATIONS FURNISHED BY CB RELATED TO OR ARISING OUT OF SELLER'S USE OF CB INPUT:

A. Intellectual Property. As between CB and Seller, CB retains all intellectual property rights in connection with the development of specially made goods. Seller hereby assigns to CB all right, title and interest in and to all improvements, conceptions, innovations, inventions, processes, machines, manufactures, compositions of matter, methods, techniques, systems, mask works, software, data and information, works of authorship, indications or designations of origin and the goodwill symbolized thereby, whether patentable or susceptible to copyright or trademark protection, that is conceived, created or first fixed in a tangible medium, first made, first used or first reduced to practice in connection with Seller's obligations under the CO, such as further development work, including all rights in documentation and manuals that are packaged with or accompany goods. Further, with respect to any goods required to be delivered to Retailer's customer per the CO that are not covered by the preceding sentence, Seller agrees not to assert any claim with respect to any technical, design, configuration or product information, and grants to CB and Retailers a worldwide, nonexclusive, royalty-free, irrevocable license to use, modify, reproduce, decompile, copy, publish, distribute, or prepare works based on such goods. This provision supplements, but does not limit, such rights as may exist based on fair use, first sale, exhaustion, or related doctrines.

B. Private Label Goods

If Seller is supplying any goods that may be categorized as "private label" in the customary meaning of such term, including using the trademarks of CB or Retailers, then, as to such "Private Label Goods," Seller acknowledges, understands, accepts, and agrees that, as between CB and Seller:

- i. All products purchased by CB from Seller will not contain dangerous or prohibited substances, minerals or animal components;
- ii. All designs, artwork, specifications, trade names, trademarks, trade dress, labels and tags purchased by CB from Seller or that have been created or developed for CB or Retailers in connection with any Private Label Goods (the "CB Features") are the exclusive property of CB.
- iii. Seller will not show or use CB Features other than for or on behalf of CB and then only per CB written instructions. Further, Seller will not manufacture or cause to be manufactured goods bearing CB Features for any party other than CB or Retailers;
- iv. Seller will not sell, distribute, or deliver or cause to be sold, distributed, or delivered to any party other than CB or Retailers any goods bearing CB Features, including but not limited to overruns, seconds, irregular merchandise, and Private Label Goods that CB has refused to accept or has returned to Seller (collectively, "Excess Merchandise"). All Excess Merchandise will be disposed of only per the written instruction of CB; and Private Label Goods are intended to be sold only in the United States of America.

REV: [November 2020]

Colony Brands' Supplier Code of Conduct

Colony Brands, Inc., and its retail subsidiaries, (hereinafter collectively referred to as Colony Brands), among other things, are in the business of buying and/or selling merchandise. Colony Brands does not own, operate, or manage any of the factories that manufacture its non-food merchandise – but instead purchases goods from hundreds of independent Suppliers in the United States and throughout the world.

In selecting Suppliers, Colony Brands tries to identify reputable companies that have the willingness and ability to conduct their businesses with high ethical, legal, and socially responsible standards as identified by Colony Brands. This Supplier Code of Conduct sets forth the commitment of Colony Brands to do business only with those Suppliers that share its commitment to fair and safe business practices.

While Colony Brands recognizes that there are different cultural and legal environments in which its Suppliers may operate throughout the world, this Supplier Code of Conduct sets forth the basic minimum requirements Suppliers are expected to meet in order to do business with Colony Brands. Additionally, this Supplier Code of Conduct provides the foundation for Colony Brands' on-going evaluation of Supplier compliance with these requirements. Failure to adhere to these requirements by a Supplier may result in the cancellation of all outstanding purchase orders and/or termination of the Supplier's business relationship with Colony Brands.

Note that Suppliers are also referred to or are defined as vendors or manufacturers, and include any of their respective contractors, subcontractors, or other suppliers, sources, and agents or others in the supply chain who provide Colony Brands with contracted goods or services.

Please review the below Supplier Code of Conduct. Should you have any questions, please feel free to contact your respective Drop Ship Team, or the Colony Brands Global Compliance Group.

Compliance with Applicable Laws & Regulations: Suppliers will comply with all applicable local and national laws and regulations of the jurisdictions in which they are doing business. In addition, Suppliers will comply with all applicable United States Laws, Codes, Regulations, and Industry Standards governing the manufacture, sale, labeling, branding, packaging, shipment, importation, and distribution of product for any of Colony Brands.

Forced & Indentured Labor – Suppliers will not permit the use of forced or involuntary labor of any kind including indentured, bonded, prison, or otherwise. All work must be voluntary, and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government issued identification, passports, or work permits as a condition of employment.

Child Labor – Suppliers will not engage in the use of child labor. The minimum admission to employment or work shall not be less than the age of completion of compulsory education, normally not less than 15 years or 14 where the local law of the country permits. Colony Brands will not accept product from Suppliers who use or permit the use of child labor.

Harassment or Abuse – Suppliers shall commit to a workplace free of harassment. Suppliers will not threaten, use, or permit the use of corporal punishment, physical, sexual, psychological, or verbal harassment, threats of violence, or other forms of physical or mental abuse, intimidation, or coercion

Health and Safety – Suppliers will follow all relevant legislation, regulations, and directives in the countries in which they operate to ensure their workers have a clean, safe, and healthy work environment. Suppliers will also ensure these same standards apply to residential facilities, if provided. Additionally, Suppliers must comply with all applicable laws and regulations regarding occupational health and safety.

Non-Discrimination – Suppliers will employ workers on the basis of their ability to perform a job, rather than on the basis of gender, age, sexual orientation, disability, nationality, social or ethnic origin, political affiliation, opinion, race, cultural or religious beliefs, maternity, marital beliefs, or similar factors.

Women's Rights – Suppliers will ensure that workers who are women receive equal treatment in all aspects of employment.

Freedom of Association & Collective Bargaining – Suppliers will recognize and respect the rights of employees to peacefully and freely associate, organize, and bargain collectively in accordance with the laws of the countries in which they are employed. Suppliers shall not interfere with, obstruct, or prevent legitimate related activities. Workers shall not be subject to intimidation or harassment in the peaceful exercise of their legal rights to join or to refrain from joining an organization.

Wages and Benefits – Suppliers will fairly compensate their workers by complying with all local and national wage and hour laws

and regulations of the jurisdictions in which they operate, including those pertaining to minimum wages, overtime wages, piece rates, and other elements of compensation. In addition to their compensation for regular hours of work, workers shall be compensated for overtime hours at the premium rate required by applicable laws and regulations, or if no legal requirement exists, the employee at minimum will be compensated at their regular hourly rate. All legally mandated benefits must be provided.

Working Hours - Suppliers will limit the hours employees may work on a regularly scheduled basis to the legal limit on regular and overtime hours established by local laws and regulations in the jurisdiction in which they operate or, if no legal requirements exist, to sixty (60) hours in a seven (7) day work period. All overtime must be voluntary and must be fully compensated in accordance with the requirements of local law, and except in extraordinary circumstances, employees must be entitled to at least one day of rest in every seven-day period. Suppliers shall comply with all applicable laws that entitle workers to vacation time, leave periods, and holidays.

Ethical Standards - Suppliers must be committed to the highest standards of ethical conduct when dealing with workers, suppliers, manufacturers, and customers. Corruption, extortion, and embezzlement, in any form, are strictly prohibited. Suppliers shall not violate the Foreign Corrupt Practices Act (FCPA), any international anti-corruption conventions, and applicable anti-corruption laws and regulations of the countries in which they operate, and shall not engage in corruption, extortion, or embezzlement in any form. Suppliers shall not offer or accept bribes or other means to obtain an undue or improper advantage. Suppliers must uphold fair business standards in advertising, sales, and competition.

U.S. Customs & Border Protection – Suppliers will comply with all applicable U.S. Customs & Border Protection laws and regulations governing the importation of product into the United States and will establish and maintain programs and documentation to support such regulations. Suppliers will educate themselves regarding both U.S. Customs & Border Protection and Colony Brands Customs -Trade Partnership Against Terrorism (C-TPAT) security recommendations and requirements and take the necessary steps to comply. Each Supplier facility (whether production or warehousing) must have written security procedures and maintain documented proof of the adequate controls implemented to guard against the introduction of non-manifested cargo into the supply chain.

Environment – Suppliers will comply with all applicable legislation and regulations regarding the protection of the environment. Suppliers shall commit to reducing the environmental impact of their designs, manufacturing processes, and waste emissions. Factories shall work to eliminate the use of toxic and hazardous substances from the production process. Colony Brands encourages Suppliers to reduce excess packaging and to use non-toxic, environmentally friendly materials whenever possible. Colony Brands' policy specifically prohibits the use of ozone depleting substances and requires compliance with the United States Endangered Species Act of 1973.

Subcontractors – Any subcontractors retained by Colony Brands' Suppliers must also comply with this Supplier Code of Conduct. Each Supplier is responsible for ensuring its subcontractor's compliance and will be held accountable for any breaches in policy.

Record Keeping / Monitoring – All Suppliers will maintain documentation to demonstrate compliance with the above Code and shall make it available for review purposes at any time. Each factory agrees to allow Colony Brands and its agents or representatives (including third parties) to engage in assessment activities including unannounced inspections with or without prior notice.

Colony Brands' representatives have been asked to look for violations of the enclosed Supplier Code of Conduct on visits to factories or manufacturing facilities and to report questionable business practices to management for follow up and potential corrective action.

See also [Colony Brands' Policy on Combatting Forced Labor in the Supply Chain](#).

For questions or comments regarding the above, please contact legal@scompanies.com

To report a suspected violation of this Supplier Code of Conduct contact the Colony Brands Legal Department. Email legal@scompanies.com, or write to Colony Brands, Inc.,

Attn: Legal

Department, 1112 7th Avenue, Monroe, Wisconsin 53566 USA

FORMS AND PROCEDURES

Order Transmissions from Colony Brands (or Retailers) via RADIAL

All orders for drop ship items are submitted to our drop ship suppliers via an Internet based system called RADIAL. (Information about RADIAL can be found at (<http://www.Radial.com>.) Colony Brands transmits orders to RADIAL once daily, usually before 6:00 AM Central. As noted, for the convenience of all COs may be sent to Suppliers by Retailers, but Colony Brands is the Buyer. Upon completion of order processing to RADIAL, an automated email is sent to all Suppliers for which orders have been submitted that day.

Order Transfer over RADIAL to Supplier

Once the orders (COs) have been submitted to RADIAL from Colony Brands or a Retailer, there are a few options for retrieval by you, the Supplier.

1. Printing directly via the RADIAL Website.
2. Extraction of data from the website into a file for use in your order processing system. There are a few options here as well.
 - a. Configurable file format to conform to your specific needs: order processing system, UPS, FedEx, etc.
 - b. EDI document 850 (Purchase Order) in compliance with the ANSI X12-4010 standard format.
3. Data extraction can be completed either manually by the Supplier or automated through RADIAL.

Automation is available if you have an FTP site where the data can be sent.

NOTE: Estimated Ship Date means you may ship the order anytime up until this date. Required Ship Date means you must ship on that date as the customer has requested a specific delivery date.

Cancellations, Changes, Shipping Inquiries, Trace Requests and Parts Requests

Once we receive and process an order in our system, Retailer's customer may request to cancel, change, verify shipment, or trace the shipment. These inquiries are posted to RADIAL by Colony Brands each day. You, the Supplier, are notified via automated email that there are orders that have been placed on a Comment Hold status. Because we pride ourselves in providing top quality service to Retailers' customers, we strive to respond within 3 business days. **Your immediate response is a critical component of our customer service program. Please update RADIAL with your response to verify that you have completed the request (See table below). There will be charge-backs to your account if this requirement is not met. Please see the "charge-backs" section for specific information.**

Cancelled Orders – If a cancel request has been made and you do not respond to our request within the 3 business days, we will cancel the order. If you ship an order cancelled by Colony Brands or a Retailer after the 3 business days or ship an order that has a confirmed cancellation by you, Colony Brands and any Retailer will not be responsible for the price of the item and the shipping costs associated to the order. ANY CANCELLED ORDER CANNOT BE INVOICED.

<u>Request</u>	<u>Action</u>
Cancellation	Verify you were able to cancel the order. We will credit our customer's account upon receipt of RADIAL Confirmation.
Change	Verify that you made the requested change.
Shipping Inquiry	Provide a shipping date and tracking number.
Trace Request	Provide a status update of the shipment including the tracking number. If you cannot provide a validated proof of delivery, we will issue a debit memo for the cost of the product, drop ship fee and freight. It is your responsibility to file a claim for reimbursement with the carrier.
Parts Request	Verify that you can ship the parts requested and provide a ship date. Once shipped a tracking number is requested.

All actions must be completed in RADIAL.

Shipment Confirmation & Invoicing Procedures

General Shipment Information

All shipment information must be entered into RADIAL. Options for submission are listed below in procedures. Specifics for transmission will be discussed during RADIAL setup process.

Shipment information is to include: Ship method, ship date, & tracking number (if applicable).

Shipment information is to be posted no more than 24 hours after the order has been shipped from your facility.

General Invoicing information

No paper invoices will be accepted.

Invoicing to Colony Brands is done via RADIAL. Please refer to the instructions below. If you have any questions or problems, please contact the Drop Ship Department. No invoices are to be sent to any Retailer.

Net Terms begin on the date that invoices are posted in RADIAL

Any discrepancies in invoicing and payment, please contact Accounts Payable immediately

Invoice information is to be posted in RADIAL as soon as possible after shipment leaves your facility.

NEW SUPPLIERS ONLY

To confirm initial invoicing is correct, please email the first invoice to Accounts Payable marking each invoice "Duplicate"

RADIAL Shipping & Invoicing (together as one step)

- Log on to <http://Radial.com>
- Click on 'Ship and Invoice' (located on left side menu)
- Click on 'Start Shipping' (upper right side) look for little brown truck
- Key order# to ship in Customer Service box in upper left corner and click 'Go', or locate order # on screen
- Enter Invoice #
- Enter Tracking # (if more than 1 tracking # click on add Additional pkgs icon and enter them)
- Enter Freight Cost
- Click on 'Process Shipments' (located at top middle of screen)
- Verify recap
- Click on 'Update Shipments' (located at top middle of screen - don't forget this step or it won't process)

RADIAL Shipping (separate from invoicing)

- Log on to <http:// Radial.com>
- Click on 'Ship' (located on left side menu)
- Click on 'Start Shipping' (upper right side) look for little brown truck
- Key order# to ship in Customer Service box in upper left corner and click 'Go', or locate order # on screen
- Enter Tracking #
- Enter Freight Cost
- Click on 'Process Shipments' (located at top middle of screen)
- Verify recap
- Click on 'Update Shipments' (located at top middle of screen - don't forget this step or it won't process)

RADIAL Invoicing (separate from shipping)

- Log on to <http://Radial.com>
- Click on 'Invoice' (located on left side menu)
- Click on 'Start Invoicing' (upper right side)
- Enter Invoice #
- Click on 'Process Invoices' (located at top middle of screen)
- Verify recap
- Click on 'Update Invoices' (located at top middle of screen - don't forget this step or it won't process)

Shipping/Invoicing via Automated File Transfer

- Automated means are available for processing of Shipment or Invoice information. If this is an option you would like to take advantage of, please inquire at the time of initial setup on RADIAL or later if you wish to switch to automation.
- Standard EDI documents 856 (ASN) and 810 (INV) can be accepted via RADIAL.
- Text file outputs from both UPS and FedEx can also be uploaded to RADIAL.

OVERDUE ORDERS REPORT

You are responsible for monitoring and updating orders in RADIAL. If not shipped within your lead-time – updates in RADIAL are mandatory. Failure to do so may result in charge backs detailed under general requirements.

Utilize RADIAL report “**Detailed Overdue Orders**” that allows suppliers to monitor overdue orders at any time.

Simply go to the website for RADIAL. After reaching the Home Page, Click on **Quick Reports** and then under **Available Quick Reports**, click on **Detailed Overdue Orders**. This will show you every order that has not been shipped/invoiced within the agreed number of days for order processing. After the list appears, left click on CSV and it will save it to any directory/drive you prefer on your computer. Once it is saved as a Comma Separated Value, it can be converted to Excel, if this is the program you prefer.

Once you review this list any product that has not shipped, needs to be relayed back to our company with a backorder date. Due to FTC laws, it is necessary for us to contact each customer, whenever an item is not shipped within the original timeframe. You can update through the Estimated Ship Date in RADIAL.

The Detailed Past Due report will show you the following columns, including your SKU Number for reference:

Supplier No	Supplier	Order No	SKU No	Supplier SKU No	Description	Order Date
Import Date	Est Ship Date	Quantity	Product Cost	Customer Name		

If your company is unable to meet the first backorder date, FTC laws mandates that we cancel the original order, and send a letter to the Retailer's customer asking if the second backorder date is OK, or if they prefer to cancel the order. If the customer calls back, advising the 2nd backorder is OK, a replacement order is automatically sent to your company.

With our new system update, our system automatically calculates the 1st and 2nd backorder notifications. As we receive the 2nd backorder date, you will receive a request from our company to (soft) cancel the original orders. These types of cancellations need to be confirmed by your company within 24 hours. The second backorder date requires additional order handling on both ends, so we ask you to give the best date possible the first time, so we do not need to contact the customer again. Failure to notify our company of 1st and 2nd backorder dates, may result in charge backs to your company, so it is in your best interest to be pro-active and notify immediately when delays occur.

Updating Estimated Ship Dates:

In **RADIAL**, on the Home Page, there is a left column listed as **Customer Service**. Click on **Est Ship Dates**, and you can enter extended ship dates on this page, either by an individual order number, or by your SKU number.

Entering by order number –

Place the Order Number in the box under Customer Service and click on Go. This will bring up the Order Snapshot. You have two places that you may enter the extended date 1) The box next on the left, next to the words “**Order Est Ship Date**” or 2) the boxes next to each individual line number, under the heading “**New Date**”. By placing the date in the first box, you will place the entire order on backorder for the date specified. The **New Date** will only update that particular item on that order. Clicking on the right arrow of each box, will bring down a calendar, to save you time keying in the dates. Clicking on the **future date**, will place the date in the correct date format for update. In the middle of the snapshot, you will see a blue line. On the right side, click on **Post/Refresh** to update this date to RADIAL. But it is not final, until you click on **Process Dates**, listed at the top of the page, before leaving RADIAL.

Order No	74702220001	Lot No	PO No	Destination	MS ANITA BARKER
Vendor	Hampden Corporation (11330)	Reason	Adv Code	Ship Method	UPS Ground (UP)
Status	Waiting to Ship				
ESD	Rqd				
Order Est Ship Date	<input type="text"/>				

Line No	SKU	Quantity	Unit Cost	Ext Cost	Original	New Date
1	83964 (941553)	1	\$ 35.50	\$ 35.50	08/29/2006	<input type="text"/>
SS MARQ COUPLES RING 8-						
Prompt Data						
WILLIAM DEC ANITA AUG						

Entering by SKU number –

Key in either your company SKU or our SKU number in the box shown under the heading **SKU**. This will bring in the Description of the pack. By clicking on the SKU number, it will show all open orders for that item. The list will show the orders in newest order sequence. By chance if you have shipped some of the first orders, you can click on **SKIP** for the orders shipped, so the backorder date will not update.

Order No	Line No	Qty	Current Total	Original	Type	New Date
1296369500t	5	1	1	12/25/2020	Item	1/28/2021

Once you determine which orders need to be updated for backorder, you may click on Start at Order, and in the list below, the first order on backorder. If you know some orders have shipped, please click on Skip, for those that do not need to be updated. Set Date can be set up clicking on the right arrow, and a calendar will come down.

Once you have the orders that you want to update, click on Set, and this will place the backorder date in the box under New Date. Once this is done, click on the top, where it says Update Dates. This is necessary to process the dates through RADIAL.

The current date is listed under the heading "**Original**". Do not update a new Estimated Ship Date unless the date is past the Original Date. If you can ship earlier than the original date, nothing is needed.

GENERAL REQUIREMENTS

Projections (estimated usage)

- If your product is approved for one or more of Retailers' catalogs, we will provide you with a total estimated need on the contract. This is only an estimate. There are no guarantees we will sell the exact amount.
- Once the catalog is released, projections (estimate letters) will continue to change as sales come in. Updated projections will be emailed to you weekly.
- If you have any questions concerning projections, contact the Drop Ship department via email at DL-DropShip@sccompanies.com.

Contract Verification-

- Upon receipt of our Drop Ship Purchase Order, verify all the information, including item number, cost, and terms. If any changes are needed, contact the Drop Ship Department immediately to resolve prior to shipping.
- Please sign the contract in the space provided at the bottom of page 1 and return it to the Drop Ship department via email at DL-DropShip@sccompanies.com within 1 week.

No Product Surprises

- Federal law states that product we ship to Retailers' customers must match our catalog photo and description.
- Therefore, the products you send to our customers must not deviate from what has been approved and defined on the QA specification.

Due Dates

- We must fulfill Retailers' customers' orders quickly to meet our service goals. Legal guidelines also govern all mail order companies on fulfillment issues. The Federal Trade Commission (FTC) governs the type and timing of communication between our company and Retailers' customers when a product they have ordered is not available to ship. Since you play an integral part in our compliance with this law, you should be fully aware of what we expect.
 - After you have received our orders, notify us immediately if the ESD (estimated ship date) will not be met.
 - It is your responsibility to monitor and meet the estimated ship date.
 - Failure to meet ESD (estimated ship date) may result in chargebacks.

Return Policy

- The information below outlines the return policy for Drop Ship orders. These guidelines will govern the returns unless alternative information is provided within the quotation or in the contract.
- All credit memos should be emailed directly to our Accounts Payable department, wendy.schmoldt@colonybrands.com

- Non-Deliverables – In most cases, non-deliverables will be returned directly to your facility. You must notify our drop ship department and issue a credit memo with the appropriate product cost. We will contact our customer and reissue the order if the customer so requests.
- Customer Refusals – In most cases, Retailers' customer refusals will be returned directly to your facility. You must notify our drop ship department and issue a credit memo with the appropriate product cost. Restock charges may apply depending on the terms of the contract.
- Carrier Damage – The Retailer's customer's information must be on all suspected carrier damage claims. You will be responsible for filing a claim with the carrier and arranging to pick-up the product. We will also send the information to our Accounting Department to issue a debit memo for the cost of the product, Drop ship charge and Freight.
- Customer Returns – Retailers' Customers may return items directly to our Returns Department or some may be shipped back to your facility. In most cases, we will return to supplier (RTV) all items returned to our Returns Department. Restock charges may apply depending on the terms of the contract. Any Retailer's customer returns sent directly back to your facility must be communicated to our drop ship department within 5 days, so we can give our customers prompt credit to their account. Failure to notify us will be assessed a chargeback.

Package labeling

Traditional drop shipments direct to customer

All packages are to look as if they have shipped from Retailer. Questions should be directed to the Drop Ship Manager.

CHARGE-BACKS

Our requirements

We developed the following non-compliance charges or fees ("Chargebacks") to recover certain extra costs or damages to us for non-compliance. Keep in mind that we want to work with you to avoid these situations since the ultimate loss to both our companies is lost sales and customer dissatisfaction.

Chargebacks are calculated depending on the level of the violation.

As a supplier of Colony Brands, it is in your company's best interest to comply with these requirements. We plan to work with you, our valued suppliers, to achieve this objective. Please contact us with questions and concerns regarding these charges.

The following are charge-backs that may apply:

Supplier Chargebacks	Explanation	Charge
Late shipments	Failure to ship orders on time per quoted product lead time may result in chargebacks.	\$10.00 per item
Backorders	Orders that are delayed and in 2nd backorder cancel may result in chargebacks.	\$10.00 per item
Returns/Refusals/Non-Deliveries of Hard Goods	Failure to notify us may result in chargebacks.	1.5 times product cost or \$10.00, whichever is greater
Product Variation / Substitutions	You shipped colors, styles, or sizes not listed on the order.	\$2.00 per item

Duplication of orders	You are responsible to implement safeguards to prevent the duplication of customer's orders.	Cost of product, freight, and all associated charges.
Failure to print/pick up orders from RADIAL	Orders must be printed within 2 business days to avoid potential chargebacks	5% of Product Cost or \$2.00, whichever is greater.
Failure to update RADIAL within 5 Business days of shipment	Updates must be made promptly to avoid potential chargebacks	5% of Product Cost or \$2.00, whichever is greater.
Failure to answer supplier hold orders	Must be actioned within 3 business days to avoid potential chargebacks.	5% of Product Cost or \$2.00, whichever is greater.