



# Domestic Routing and Transportation Guide

This routing guide contains confidential and proprietary information which Smith Ventures, Ltd. shares with its vendors. Dissemination to others is strictly prohibited.

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# **1 Introduction**

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## ***1.1 Introduction***

As stated in the Smith Ventures, Ltd. Vendor Agreement it is our expectation vendors will abide by this routing guide. This routing guide is intended to provide guidance and direction to all vendors shipping any product out to any RAGE Fitness/ Gibson Athletic and or Moving Mountains facility, or its customers. The goal is to swiftly, accurately, and economically move inventory through our supply chain and to provide outstanding service to our customers.

As you read through this routing guide you will notice some items specifically defined as required and some items will be defined as recommended or requested. Please note that unless identified as recommended or requested a section is considered to be required.

To enhance our supply-chain Smith Ventures, Ltd. requires compliance to the following standards:

- Voluntary Inter-industry Commerce Standards (VICS)
- Department of Transportation (DOT)

All guidelines stated herein are Smith Ventures, Ltd.'s policies and cannot be changed or modified except by written approval by the manager or director of vendor relations.

This routing guide takes precedence over any previous routing guides published by Smith Ventures, Ltd. The purchases of vendor's products and/or services are subject to this routing guide as amended from time to time and the vendor agreement.

## ***1.2 Revisions to Routing Guide***

Revisions to this routing guide will be shaded to indicate modifications. Modifications will remain shaded until a new version is released.

### **Confidential information policy**

This routing guide shall be subject to the confidentiality; securities law provision of the vendor agreement. All sales data shall be deemed the confidential information of Smith Ventures, Ltd..

### **Vendor indemnification insurance**

Vendor agrees to comply with all indemnification obligations and insurance requirements as provided in the vendor agreement.

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## **2 Workplace Code of Conduct**

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### ***2.1 Labor and Compliance Standards***

We view our Vendors and their sub-contractors and suppliers as an essential element of the company's business success. The company strives to select vendors that adopt strong ethical standards. This includes conducting its operations in a manner that respects the rights of its employees and demonstrates careful stewardship of the environment. As Smith Ventures, Ltd. expands its worldwide presence, the company recognizes that the selection of Vendors has a direct impact on the company's reputation and brand image.

### ***2.2 Labor Practices***

- Smith Ventures, Ltd. Vendors and their subcontractors and suppliers will never use forced, indentured, or prison labor in the supply of materials or products.
- Smith Ventures, Ltd. prefers that its Vendors, and their subcontractors and suppliers, hire no workers under the age of sixteen (16).
- All employment must be strictly voluntary. Factories must also respect the workers' right of free association and should not interfere with the legal exercise of the right to free association.
- Corporal punishment and physical and mental coercion are prohibited.
- Every Vendor employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.
- Vendors, their subcontractors and suppliers, must not discriminate in hiring and employment practices on grounds of age, race, and gender, and national origin, political or other opinion.

### ***2.3 Compensation***

Vendors, their sub-contractors and suppliers will not pay less than the minimum wage (including trainees) in accordance with local labor laws. Workers will be fairly compensated to a similar standard for overtime work.

### ***2.4 Work Hours***

- All overtime as defined by local regulations or practice will be strictly voluntary and will be duly compensated.
- As a normal practice, the maximum number of working hours, including overtime, must not exceed 60 hours per week. Local government regulations will be followed if they require fewer than 60 hours per week.
- As a normal practice, workers should receive a minimum of one day off in seven days.

### ***2.5 Health and Safety***

- Vendors must provide a safe and healthy work environment.

- Fire prevention equipment must be accessible and Vendors must conduct prevention and evacuation training.
- Restrooms should be clean, operational and available for all Vendor employees.

## **2.6 Environment**

All local laws and regulations must be met and operations conducted in a manner that conserves resources. All waste materials and production by-products should be disposed of properly and in an environmentally responsible way.

### **WORKPLACE CODE OF CONDUCT AGREEMENT**

By accepting Purchase Orders from Smith Ventures Ltd. dba: RAGE Fitness; Gibson Athletic; Moving Mountains, you agree to the terms and conditions in the Vendor Agreement & Routing Guide.

IN ACCORDANCE WITH THE WORKPLACE CODE OF CONDUCT, THE SUPPLIER AGREES TO ALLOW A DESIGNATED PERSON OR AUDIT COMPANY TO CONDUCT A SOCIAL COMPLIANCE AUDIT AT ANY TIME SMITH VENTURES, LTD. CHOOSES. THE SUPPLIER WILL ALLOW THE AUDIT PERSON OR COMPANY FULL ACCESS TO ALL NECESSARY DOCUMENTS, INDIVIDUALS AND FACILITIES.

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## **3 Product Safety**

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### ***3.1 Consumer Product Safety***

Vendor represents, warrants and certifies that any goods provided to Smith Ventures, Ltd. for sale to the general consumer meet all applicable laws, rules, regulations and codes, including without limitation, those of any foreign country in which the merchandise is manufactured.

Vendors must follow all standards and guidelines established by the consumer product safety commission (CPSC). Additionally, it is the vendor's responsibility to manufacture all products within the current compliance levels established by the consumer product safety improvement act (CPSIA) and the state of California, California's safe drinking water and toxic enforcement act (also known as proposition 65) and all applicable laws, rules, regulations and codes.

It is Smith Ventures, Ltd.'s expectation that each vendor is aware of all future government regulations and standards so that compliance is maintained at time of delivery.

### ***3.2 Material Safety Data Sheet (MSDS).***

Vendor must provide Smith Ventures, Ltd. with valid MSDS paperwork for any and all products meeting this requirement as stated by OSHA a minimum of seven days prior to receipt. It is the vendor's responsibility to maintain this information and provide Smith Ventures, Ltd. with updates as required.

### ***3.3 Hazardous Materials***

All hazardous materials regulated by DOT (Department of Transportation) must meet all prescribed regulation per 49 FCR (code of Federal Regulations).

All hazardous materials must be packaged according to United Nation's performance oriented packaging (UNPOP) except what non-specification packaging is authorized by 49 CFR.

Packaging containing hazardous materials must be properly classified, described, packaged, marked, labeled and in proper condition for transportation according to applicable DOT regulations with assurance that required labeling and markings (labels, markings, proper shipping name, permit number, identification number, etc.) are not obstructed by UCC 128 or any other vendor labeling.

### ***3.4 Certificate of Origin:***

For goods eligible for favorable tariff treatment under trade agreements, to verify where various materials and parts originated.

The main types are:

- NAFTA (North American free trade agreement)
- CIFTA (Canada – Israel free trade agreement)
- CCFTA (Canada – Chile free trade agreement)
- CCRFTA (Canada – Costa Rica free trade agreement)
- Form 'A' (certificate of origin from certain developing countries.)

A good can be fully or partially exempt from duty if it is obtained or produced in a country under the Rules of Origin in the North American Free Trade Agreement. The manufacturer of the goods needs to certify the goods determined from the Bill of Materials. US manufactured product can use the US version of the NAFTA certificate of Origin (CF434).

NAFTA Form with instructions: Vendor/shipper must submit all the required documents to the carrier at the time when shipment is handed over to the carrier. Carrier will forward / submit all the documents to Broker for PARS set up.



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## 4 Purchase Orders

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### 4.1 Purchase Orders

The provisions of the vendor agreement between the parties shall apply to all purchase orders (PO/POs) and shall supersede any conflicting or additional terms in vendor's forms.

At any time 30 or more days prior to delivery, Smith Ventures, Ltd. may cancel an order for any part thereof without any liability. This cancellation provision will not apply to purchase orders for Smith Ventures, Ltd. private label and Smith Ventures, Ltd. license-branded products or custom, made to order products.

The Purchase Order number must be clearly visible on all cartons and documents in the shipment.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

### 4.2 Order Cancellation Policy

Smith Ventures, Ltd. requires that all merchandise must arrive by the required date. Ideally, you should start to ship on or about the Requested Date on the purchase order giving your shipment enough time to reach our distribution center before this date. If your merchandise arrives with a freight bill, FEDEX GROUND manifest and/or bill of lading dated after our required date, the merchandise may be refused or "rubber docked" and sent back to your plant. All freight charges (in and out) plus a handling charge will be deducted from your next remittance check. There will be no exceptions to this policy. If you are nearing the order required date **please contact the Smith Ventures, Ltd. Purchasing Department for an order extension.**

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

### 4.3 Ship Complete

Smith Ventures, Ltd. is committed to optimizing the flow of merchandise through the supply chain. Back orders are counterproductive to this philosophy and only add unnecessary cost to Smith Ventures, Ltd. and its vendors. Therefore, all POs must be tendered at least 75% complete when shipped to Smith Ventures, Ltd. with no more than two deliveries per PO. Quantities delivered greater than those ordered will not be accepted unless prior notification is given. Chargebacks may be imposed if overage quantities are delivered to Smith Ventures, Ltd. Unwanted overages will be sent back with the vendor being responsible for all freight expenses. Attempted delivery of cancelled purchase orders may be refused at our fulfillment center.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

#### **4.4 Item Information**

Accurate item information is critical for Smith Ventures, Ltd. to service our customers and effectively manage inventory. Smith Ventures, Ltd. requires all vendors to comply with the Uniform Code Council (UCC) in order for their products to be UPC source marked. Not only is accurate item information necessary, but notification of changes is even more critical. Some of the frequently identified problem areas include:

- No UPC on merchandise
- Incorrect UPC on merchandise or carton
- Old UPC is used when product has changed
- New UPC is used without notifying Smith Ventures, Ltd.
- Bar-code of poor quality and will not scan
- Single unit UPC is used on master carton case
- Point of Origin information missing
- UPC is not assigned to the smallest unit
- Hard tag or adhesive label containing the UPC is not securely attached to the item upon
- Arrival at Smith Ventures, Ltd. fulfillment center.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

#### **4.5 New Item Information**

Smith Ventures, Ltd. requires the following information for all items (raw materials excluded):

- Valid UPC code
- Merchandise description
- Unit size (length, width, height, weight of individual saleable unit)
- Inner pack size (quantity, length, width, height, weight)
- Case pack information (quantity, length, width, height, weight, and volume)
- Pallet information (quantity, length, width, height, weight)
- Unit of Measure
- Point of Origin
- Manufacturer name
- Manufacturer product number/model number
- Cost
- Color
- Special handling requirements (if applicable)
- Country of Origin
- Material Content

#### **4.6 Notification of Changes**

Business demands will require changes. Proper lead time for communicating changes will reduce potential service and inventory issues. The information below lists such changes and the communication requirements Smith Ventures, Ltd. expects of its vendors. Any changes must be stated in writing to the contact listed in the table below.

\*Not to exceed 2 changes per year (Preferred June)

#### **4.6.1 Change Requirement Contacts**

<u>Change Request</u>	<u>Notice Needed</u>	<u>Approval Needed</u>
Cost Change	60 Days	Buyer
Product Change	60 Days	Buyer
Product Substitutions	Not Accepted	Buyer
UPC Change	60 Days	Buyer
Case Pack Change	60 Days	Buyer
Inner Pack Change	60 Days	Buyer

#### **4.7 Multiple Tickets**

Multiple carton SKU's must clearly be marked. (e.g. Carton 1 of 3, 2 of 3, 3 of 3, etc.)

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

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## **5 Finance**

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### **5.1 Overview**

This section outlines important information for new vendor setup, changes in vendor information, invoice requirements, and processing policies. Accurate information will insure timely processing. Vendors are required to complete a Smith Ventures, Ltd. Vendor Agreement prior to their first shipment to Smith Ventures, Ltd. If any information on any of the vendor's shipping locations changes after the Vendor Agreement is submitted, the vendor must contact the Smith Ventures, Ltd. Vendor Compliance Coordinator to update that information.

### **5.2 New Vendor Startup Package**

The New Vendor Startup Package explains all of Smith Ventures, Ltd. corporate buying policies and liability/insurance requirements. The buyer is responsible for supplying these documents. This package consists of:

- Merchandise Vendor Agreement (\*Domestic vendors)
- Merchandise Vendor Terms and Conditions (and Drop-Ship Addendum, if applicable)
- Certificate of Insurance
- Merchandise Vendor Guidelines (this document)
- Code of Conduct (\*International vendors)
- W-9

- Non-Disclosure Agreement form

All documents provided in the New Vendor Startup Package must be completed, signed, and then returned to the Buyer. The documents will be reviewed by Merchandising, Logistics, and Finance. Once all Smith Ventures, Ltd. requirements are met, the vendor will be authorized and issued a valid vendor number.

### **5.3 Changes to Existing Vendor Files**

If there is a change in legal name, legal structure, or financial condition an updated New Vendor Startup Package will be required. Expect the following to be required in any updated version of the New Vendor Startup Package:

- Your company name
- Old parent company name and new parent company name
- Old company address and new company address
- Change of remit address
- Statement of what is transpiring
- Written notification of changes must be sent to:  
Smith Ventures, Ltd. Commerce Solutions, Inc.  
Attn: *[Buyer's Name]*  
4995 Lima Street  
Denver, CO 80239  
cc: Accounts Payable Trade

Finance will update the Vendor File upon written notification. If there is a change in ownership and the new owner is not currently in our vendor file as an authorized vendor, that company will be considered a new vendor and will be required to complete a New Vendor Startup Package.

### **5.4 Invoice Requirements**

All in invoices must meet the requirements below:

- One invoice per shipment
- Must have PO number on the invoice

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

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## **6 Returns and Recalls**

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### **6.1 Return Policy-Inbound:**

Merchandise that is received damaged or not as ordered, may be refused, returned to the vendor, or received at the discretion of Smith Ventures, Ltd. If the items are received, and later found to be not sellable, the disposition option may be to destroy merchandise for full credit and cover the cost of receipt of defective merchandise or return merchandise to vendor for full credit including the cost of return freight. Responsibility is determined by the categories set forth below unless direct evidence suggests an alternative assumption of responsibility.

Vendors are solely responsible in the following instances:

Unlabeled or mislabeled product	Swollen cans
Improperly sealed product	Substitutions
Over/short weight or partially filled product	Broken glass
Items shipped that were not ordered	Razor cut packages
Crushed, dented, or collapsed product	Moldy package
Items below sample or standard quality	Leaking products
Product that is soiled, stained, sticky, etc.	Rusty Product
Incomplete shipments or incomplete sets	Defective merchandise
Damage due to improper packaging	

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

### **6.2 Return to Vendor**

Damaged or defective merchandise will be returned to the vendor for credit. Product can be held for up to thirty (30) days. Return Authorization numbers must be received by Smith Ventures, Ltd. within three (3) business days of request. Product will be packaged and returned to the vendor via carrier specified by the vendor. Shipping paperwork is prepared and included in the return shipments to the vendor.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

### **6.3 Recall Policy**

Recalls occur for three main reasons: vendor initiated, vendor buy back, or the product does not meet legal and public standards.

The following information is required to process recalls:

- Address to return merchandise

- Return authorization number
- Freight terms
- Merchandise description
- Details of recall (i.e. HAZMAT, etc.)

## **6.4 Unauthorized Overages Chargeback Schedule**

Merchandise delivered to Smith Ventures, Ltd. with quantities greater than reported expected receipts will not be accepted without prior notification or approval. Smith Ventures, Ltd. will impose the following chargeback schedule against Unauthorized Overages. This chargeback is in addition to Smith Ventures, Ltd.'s right to accept or reject the overage at the discretion of Smith Ventures, Ltd. unauthorized overages may be returned to the vendor at the vendor's freight expense.

Table #1

UNAUTHORIZED OVERAGES	CHARGEBACK	OCCURRENCE
10-14%	\$ 150.00	Per ASN/PO
15-19%	\$ 250.00	Per ASN/PO
Greater than 20%	\$ 500.00	Per ASN/PO

Note: All dollars are in U.S. dollars

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

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## **7 Shipping Instructions**

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### **7.1 Shipping Instructions**

Please use the following guidelines when shipping products to Smith Ventures, Ltd.

- If you use our designated carriers incorrectly or choose the wrong carrier it will result in a chargeback
- Follow all instructions exactly as indicated. When these instructions are not followed, resulting in loss or damage to the shipment or higher freight costs, this expense will be charged to the shipper and deducted from our remittance
- Receiving hours are from 7:00 a.m. 3:00 p.m. When shipments are more than 5 pallets or floor loaded Smith Ventures Ltd. requires an appointment for delivery. Please indicate this information when filling out the bill of lading. The Shipping Department must be contacted for delivery appointments at 720-257-7843, failure to do so will result in a chargeback.
- Failure to include a legible and correct packing slip with the shipment will result in a chargeback.
- Failure to ship to the correct receiving address will result in a charge back.

- All orders consigned to a single destination and shipped on the same day must be combined on a single bill of lading, failure to do so will result in a chargeback.
- When shipping via FEDEX GROUND please be sure to insure our shipment by Declaring Full Value when the shipment valuation is over \$100.00
- Please include a Material Safety Data Sheet (MSDS) with each shipment when required by law.
- Any additional charges assessed by a carrier for inaccurate product descriptions or weight may be charged back to the Vendor, in addition to the Fee Schedule.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.2 Drop Ship**

Smith Ventures, Ltd. is responsible for the freight charges of ALL drop shipments. Failure to do so will result in a chargeback. Supplier has one business day from the time of shipment to provide an invoice for all drop shipped items. All drop shipments are to be unmarked. They are not to have any supplier name, logo or any other recognizable mark regarding the production facility of which they were originated. Any deviation from the above mentioned, will result in a chargeback.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.3 LTL/Volume Shipments**

When shipping via LTL carrier please use the following guidelines:

- All LTL/Volume shipments must be shipped on 40" x 48" hardwood pallets-do not use pallets with broken boards
- Place all boxes on a pallet and secure the shipment with strapping or stretch film.
- Pallets should be stacked as efficiently as possible, i.e. 30 pack DVD's x 84 boxes – 2520 DVD's per pallet. Failure will result in a chargeback.
- Although you can stack multiple PO's on a pallet, please keep them separated by PO and item by using a slip-sheet to slip in between tiers.
- Slip-sheets are not to be used as a pallet; doing so will result in a chargeback.
- Maximum pallet weight allowed is 2,000 lbs.
- Maximum pallet height is 66 inches.
- You must get authorization from buyer to ship loose packages, if you are authorized to do so please indicate it on the bill of lading. Failure to do so will result in a chargeback.
- If product is larger than a standard pallet, it must be shipped on a custom pallet. Oversized product must not overhang more than 2 inches.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.4 Trailer Loading Requirements**

Trailers are to be loaded such that the shipment will not be damaged in transit and create an unsafe work condition during the unload process.

- Shipments are to have the weight evenly distributed from front to back and side to side.
- Follow carton orientation as specified.
- Load heavy product on bottom and light product on top.
- Align corners of cartons to ensure weight is evenly distributed.
- Load cartons in a “brick layer” manner. Do not column load.
- Do not load product over 50 lbs. above 5 feet.
- When combining floor load and pallet load in one trailer always build the nose with floor load and tail with pallets.
- Barriers and load restraints should be used.
- When applicable, follow AQL instructions.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.5 BOL Preparation**

Create a master Bill of Lading that references all purchase orders. Bill of Lading (two copies) with the following information must be provided to the carrier at time of pick-up. The Bill of Lading must contain the following:

- Ship to address
- Purchase order number(s)
- Vendor name
- Vendor number
- Number of cartons
- Number of pallets
- Description of merchandise
- NMFC class number
- Bill of Lading number
- Shipment ID (Required on 1<sup>st</sup> page of (BOL)
- Seal number for international (Domestic, if applicable)

Note, in case of multiple truckload shipments, each truckload must have its own unique BOL that reflects the exact contents of each truckload.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.6 Air Shipments/Rush Orders**

When shipping either by air or in a case where a rush shipping is required or requested, use the following guidelines to aid in shipping:



- When shipping by air, call our Buyer for approval, regardless if Smith Ventures, Ltd. is paying for all or part of these charges. Failure to call will result in a chargeback for any unauthorized air charges.
- When air shipment is approved, declare full value on the shipment.
- Authorization for an air shipment is provided only by the Smith Ventures, Ltd. Purchasing Dept. and the Smith Ventures, Ltd. Buyer.
- Orders marked **RUSH** – this means that a shipment is to be expedited in the factory or prior to our negotiated FOB shipping point (i.e., port of entry). The word RUSH does not mean to ship air from Smith Ventures Ltd. FOB point to Smith Ventures Ltd. distribution center. If Smith Ventures Ltd. determines that the shipment needs to be expedited, the Vendor will be contacted about shipping arrangements.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.7 Packing Slip Handling**

Packing slips are required for each shipment sent to Smith Ventures, Ltd. and must be attached as follows:

- Itemized product detail, including Smith Ventures, Ltd. Part number on packing slip.
- Small Parcel and Drop Shipments – Attach to the lead carton for each PO using a plastic envelope. Carton must be clearly marked as the lead carton.
- All Other Shipments – Packing Slips are to be placed in an envelope and attached to the Bill of Lading.

Vendors are required to email or mail packing slips the same day the merchandise is shipped.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.8 Excessive Space in Cartons**

It is the Vendor's responsibility to use the proper carton size that will provide the maximum protection for their product while reducing unnecessary shipping costs from excessive space. Use appropriate size carton to avoid over-packing or under-packing of the carton. The following guidelines should be followed whenever determining carton size:

- Cartons should not bulge due to over-packing.
- Cartons should not have more than 25% of the cube space of air, per each cube of total carton space.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.9 Sealing Outer Master Carton**

- Cartons must be sealed with reinforced packaging tape or pressure sensitive poly tape.

- Pressure sensitive poly tape should be a minimum of 2 millimeters thick.
- Tape should extend 2" into adjacent panels to assure a secure seal. Tape "ears" down.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

## **7.10 Master Carton Labeling Requirements**

A master carton must be labeled with a Master Carton Shipping Label and a Master Carton Graphic on the outside of the box. The Master Carton Graphic may be printed on the box or printed on a label and placed on the master carton. The Master Carton Shipping Label is to be printed onto a label and placed on the outside of the box. Each carton must be labeled as described below.

Master carton sides are defined as the following; the pair of sides with the largest area is the Top and Bottom. The pair of sides with the second largest area is the Front and Back. The pair of sides with the smallest area is the Left and Right.

- Master Carton Shipping Label is to be placed on the Top Side placed on the bottom right, 2 inches from each side.
  - The label size must not exceed 4" x 6" and must be legible

Smith Ventures Ltd. Brand Logo (Provided by AQL)  
Smith Ventures Ltd. Brand Name (Provided by AQL)  
Smith Ventures Ltd. Brand Item No.:  
Smith Ventures Ltd. Brand Product Description

- Master Carton Graphic (see the next page for images) is to be printed onto the Front and Back of the box or printed onto a label and placed on the box.
- Master Carton Graphic must be centered on the Front and Back sides of the box.
- Master Carton Graphic is to include the following (per the artwork provided in the AQL):

Smith Ventures Ltd. Company Logo (Provided by AQL)  
Smith Ventures Ltd. Company Name (Provided by AQL)  
Smith Ventures Ltd. Item No.:  
Smith Ventures Ltd. Product Description

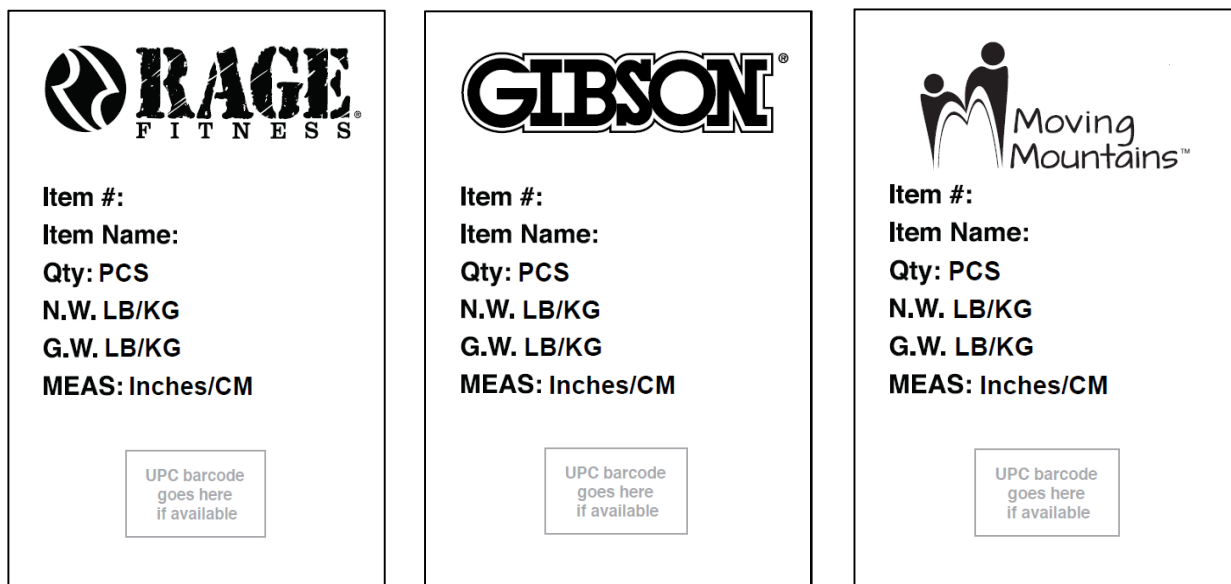
- QTY: PCS:
- N.W> LBS / KG
- G.W. LBS / KG
- MEAS INCHES / CM

Note: Smith Ventures, Ltd. requires weights and measure to be in both Empirical and Metrics.

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

### 7.10.1 Master Carton Graphics

Select the appropriate Master Carton Graphic from the following images. See previous section for placement onto Master Cartons.



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## 8 Damage/Defective RTV Program

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### 8.1 RTV Program

The RTV program is designed for vendors who prefer to have their defective units either returned or destroyed for credit.

By participating in the RTV program, vendors will be charged freight and handling charges. Smith Ventures, Ltd. does not honor the payment of handling/refurbishing charges on defective or returned goods.

If you are on the RTV program and have not supplied a standing RA as part of your vendor agreement vendors will be contacted via email from a Smith Ventures, Ltd. team member requesting the RA for defective goods. The email will include our Doc ID# and a .pdf file that identifies the product in need of the RA. It is Smith Ventures, Ltd.'s requirement that an RA will be received from the Vendor within 48 hours of the initial Smith Ventures, Ltd. request. The RA identifier should be emailed back to Smith Ventures, Ltd. at [RTV@gibsonathletic.com](mailto:RTV@gibsonathletic.com).

### 8.2 Chargeback Research and Disputes

All chargeback disputes should be emailed to the respective address below in a timely manner. Any information requested on chargebacks older than 6 months will be subject to a \$25 charge per item.

Included in the email should be:

- Chargeback number being disputed
- Reason for dispute
- Any backup documentation supporting the dispute

For Transportation expense offset research and disputes please send email to:  
chargebacks@gibsonathletic.com

*\*Please see Chargeback Schedule on page 23 for fee schedule.*

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## 9 Contact List

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For ease of communication, please fill out the form below with Vendor contact information and return it to [chargebacks@gibsonathletic.com](mailto:chargebacks@gibsonathletic.com)

### DEPARTMENT OF OPERATIONS, INVENTORY/ LOGISTICS

_____, Director of Sourcing and Logistics	
Phone:	Email:
_____	
_____, Product Manager	
Phone:	Email:
_____	
_____, Inventory Manager	
Phone:	Email:
_____	

### ACCOUNTING DEPARTMENT

_____, Director of Sourcing and Logistics	
Phone:	Email:
_____	
_____, Product Manager	
Phone:	Email:
_____	
_____, Inventory Manager	
Phone:	Email:
_____	

### CUSTOMER SERVICE

CSR TEAM	
Phone:	Email:
_____	

## 10 Chargeback Schedule



### Chargeback Schedule

4	Purchase orders			
	4.1	Purchase Orders	\$150	
	4.2	Order Cancellation Policy	1% per day	+ In/Out Freight
	4.3	Ship Complete	\$250	+ In/Out Freight
	4.4	Item Information	\$5.00 per unit, per inner, per master	
	4.7	Multiple Tickets	\$150	
5	Finance			
	5.4	Invoice Requirements	\$250	
6	Returns and Recalls			
	6.1	Return Policy-Inbound	COG Credit	+ In/Out Freight
	6.2	Return to Vendor	COG Credit	+ In/Out Freight
	6.3	Recall Policy	COG Credit	+ In/Out Freight
	6.4	Unauthorized Overages	10-14%	\$ 150.00 per ASN/PO
			15-19%	\$ 250.00 per ASN/PO
			Greater than 20%	\$ 500.00 per ASN/PO
7	Shipping Instructions			
	7.1	Shipping Instructions	\$500	+ In/Out Freight
	7.2	Drop Ship	\$50	
	7.3	LTL/Volume Shipments	\$250	per pallet
	7.4	Trailer Loading Requirements	COG Credit	+ In/Out Freight
	7.5	BOL Preparation	\$250	
	7.6	Air Shipments/Rush Orders	Inbound Freight	
	7.7	Packing Slip Handling	\$250	
	7.8	Excessive Space in Cartons	\$25.00 per unit, per inner, per master	
	7.9	Sealing Outer Master Carton	\$50 per carton	
	7.1	Master Carton Label Req.	\$5.00 per unit, per inner, per master	
8	Chargeback Disputes			
	8.2	Outdated Chargeback Dispute	\$25.00 per item	