

Supplier Guidelines

3rd Party Suppliers



SMARTPAK™

SMARTPAK EQUINE LLC | 40 Grissom Road #500, Plymouth, MA 02360

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ABOUT SMARTPAK: *our values*

SmartPak, located in Plymouth, MA, was founded in 1999 with a focus on the administration of nutritional supplements and medications to horses. In addition to the patented SmartPak supplement feeding system, the Company sells and distributes a broad line of horse health, apparel, tack, dog supplies, and equine and canine items through its website, its catalogs, and its single store location in Natick, MA. SmartPak's line of products, which includes both private label and third-party goods, are sourced from domestic and international suppliers, with primary import markets being Asia, India, North America, and Europe.

The Company currently leases and operates a warehouse in Plymouth, MA, a remote distribution location in Reno, Nev. and a retail store in Natick Ma. The SmartPak Home Office is located adjacent to the distribution center in Plymouth Ma.

SmartPak believes that Supplier relationships are optimized when both the Supplier and SmartPak benefit. Fundamental requirements for Suppliers include a deep respect for our customers and the animals that they love, accountability to meet expectations and deadlines, timely, straightforward communication, and a commitment to maintain the highest levels of professional and personal integrity.

A "Terms and Conditions of Purchase" and "Supplier Code of Conduct" is enclosed. SmartPak requires that these be read for a review of our policies and expectations and that it be signed and returned to SmartPak as confirmation of understanding. The Purchase Order issued to all suppliers also contains the key points of these contracts, reinforcing the agreements that have been signed. (Appendix 1 and Appendix 2)

Please return signed pages 11-13 and 17 from Appendixes 1 and 2 to SmartPak.

LABELING, SAMPLING AND QUALITY: product *integrity*

LABELING-

- All products must comply with US regulations for care and content labeling, following the FTC guidelines (<https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/care-labeling-textile-wearing-apparel>) (Appendix 3)
- All products must be accurately labeled and clearly identify their Country of Origin ("COO") and content. English is the language that must be used for labeling to serve the largest audience (Please see the SmartPak COO labeling guide). All product delivered to SmartPak or its subsidiaries and agents

must comply with all marking requirements established by US law, including, but not limited to, the COO marking requirements of 19 C.F.R. Part 134. (Appendix 4)

- To assist suppliers with information on US government regulations on all products imported into the US, SmartPak has created a Customs Compliance Manual to be reviewed by all suppliers manufacturing overseas. This has been sent to all suppliers. If you have not received it, it can be sent to you via email. Any questions can be directed to the Customs Compliance Coordinator. (For a copy of the SmartPak Customs Compliance Manual, please contact SmartPak)

SAMPLING

All suppliers will be required to send samples for web and catalog photography. Private Label suppliers will be additionally required to send fit and quality samples throughout the development process. SmartPak considers sample compliance an essential responsibility of Suppliers. Suppliers are expected to manage the sample process to the expectations of SmartPak. The expense of samples is considered a cost of doing business to all suppliers. (Appendix 5)

QUALITY

SmartPak is committed to offering exceptional service, selection, quality and value to our customers. Our suppliers are ultimately responsible for product quality and safety. Only first quality goods that meet SmartPak performance expectations will be accepted. These expectations are very much industry standard and with every consideration for the consumer's comfort, durability, safety and reliability. SmartPak expects all suppliers to manage raw materials and production with that in mind. Private Label suppliers will also supply audit and product testing results, partnering with SmartPak on quality standards. (Appendix 6)

SHIPPING

Suppliers are expected to follow SmartPak guidelines for packaging and shipping. SmartPak shipping guidelines have been constructed to balance the requirements for rapid delivery at an acceptable expense coupled with transparency as the product moves. Any deviations to packaging or shipping must be approved by SmartPak. (Appendix 7 and Appendix 8)

NEW SUPPLIER APPROVAL CHECKLIST

3RD PARTY SUPPLIERS ONBOARDING

- Read and sign documents (contact info, terms and conditions, code of conduct)
Pages 7-13 and pages 14-17
- Supply insurance certificate
(\$\$ amount determined by business type and discussed with Buyer)
- Photo samples required where photography is not available
see page 26 for number of samples and sizing by category
- UPC labelling is required on all products and cartons
- Fill in required return address and contact for Return Authorization Number (RA#)

DROP SHIP SUPPLIERS ONBOARDING

- Read and sign documents (contact info, terms and conditions, code of conduct)
Pages 7-13 and pages 14-17
- Supply insurance certificate
(\$\$ amount determined by business type and discussed with Buyer)
- Review DSCO introduction packet and confirm your ability to execute functions of a DSCO partner
- Accept the DSCO invite sent and set up an account giving you access to the DSCO portal
- Photo samples required where photography is not available
see page 26 for number of samples and sizing by category
- UPC labelling is required on all products and cartons
- Fill in required return address and contact for Return Authorization Number (RA#)

	page
Appendix 1: Terms and Conditions of Purchase.....	7
Appendix 2: Global Supplier Code of Conduct.....	14
Appendix 3: Labeling Requirements.....	18
Appendix 4: Country of Origin Marking Guidelines.....	20
Appendix 5: Sampling requirements.....	25
Appendix 7: Packaging requirements.....	27
Appendix 8: Shipping guidelines.....	37

Appendix 1: Terms and Conditions of Purchase



SMARTPAK TERMS AND CONDITIONS OF PURCHASE

Version 1.2017

SmartPak values its relationships with its customers, employees, agents, suppliers and the communities in which it conducts business. To maintain our goal of providing the best value product in the most equitable manner, we have established standards for our suppliers. In sharing these conditions, we are setting expectations to engage solely with supplier partners who share our commitment to quality products, quality business principles and quality relationships.

SmartPak will only engage suppliers who demonstrate a commitment to contribute to the improvement of working conditions and strive to meet our partnership guidelines.

AGREEMENT – All suppliers will be bound to our terms and conditions upon accepting the Purchase Order for products. Commencement of performance or delivery of the items on the Purchase Order further confirms acceptance. The Purchase order highlights the main points of the SmartPak Terms and Conditions of Purchase that is signed by all Suppliers at the onset of business. Acceptance of the Purchase Order reinforces understanding and agreement of this document.

PRICE - The agreed to price is stated on the Purchase Order, any change to this price must be confirmed in writing by SmartPak. The Due date will be considered extended without the loss of discount until the invoice is received. Any offsetting claim that SmartPak may have against the Supplier may be deducted from the invoice.

3RD PARTY SUPPLIER PRICING POLICIES

- Vendor will provide SmartPak with a complete list of products and prices including discounts and tiered pricing for each product. Manufacturer agrees to hold prices for a period of twelve months, generally beginning January 1 and ending December 31. Product lists and relevant prices are due to SmartPak 60 days prior to any change, generally **no later than November 1**, regardless of whether-or-not there are changes. All upward price adjustments must be preceded by a 60-day notice period before new prices take effect.
- Most Favored Nation. SmartPak shall pay the lowest price (or more favorable terms and conditions) offered by Supplier to any third party in the same functional level of trade as SmartPak for all product for which a purchase order has been issued or which is in transit as of the date the product was offered to such third party for such lower price (or more favorable terms and conditions). The price and/or terms of a purchase order shall be deemed automatically revised to equal the lowest prices and or most favorable terms at which Supplier sold or shall have offered such product to any third party in the same functional level of trade as SmartPak, and payments shall be made accordingly. SmartPak has the right to 3rd Party pricing audit up to two times per year.
Price protection. If there is a reduction in price offered to SmartPak or other third party in the same functional level of trade as SmartPak for any product, SmartPak shall be entitled to a credit from the Supplier for the difference between the cost incurred by SmartPak and the new cost. SmartPak will

supply the Vendor with an invoice for the number of units and difference in cost and shall deduct the amount due from the next invoice to be paid to Supplier.

- Supplier program will be negotiated yearly outside of this term sheet and includes, but is not limited to, rebates, growth rebates, co-op funds, volume discounts, additional product discounts and markdown dollars.
- Do you have MAP (Manufacturer Advertised Retail) Pricing? If so, please attach/forward your written policy when returning this signed Terms and Conditions of Purchase Agreement.

LABELING-

- All products must be accurately labeled and clearly identify their Country of Origin (“COO”) and material content. English is the language that must be used for labeling to serve the largest audience. All product delivered to SmartPak or its subsidiaries and agents must comply with all marking requirements established by US law, including, but not limited to, the COO marking requirements of 19 C.F.R. Part 134.
- All products must comply with US regulations for care and content labeling, following the Federal Trade Commission (“FTC”) guidelines (<https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/care-labeling-textile-wearing-apparel>) (Appendixes 3 and 4, Supplier Guidelines)

DELIVERY- All suppliers agree to ship via the method indicated on the Purchase Order. Risk of loss with respect to any products remains with the suppliers until they are received at the SmartPak facility. If the transportation mode is changed, it must be agreed to by SmartPak in writing.

Additionally, SmartPak reserves the right to refuse delivery for all or part of the order for the following reasons:

- Products not shipped prior to the “Cancel Date” shown on the order
- Shipments of less than or in excess of quantities ordered
- Merchandise that does not accord with the approved sample or specifications, or that is not specified on the purchase order
- Shipments not in compliance with the provisions listed in the SmartPak Supplier Guide, including, but not restricted to, the requirements for product testing approvals, packaging and shipping, the routing guide and invoicing instructions
- Merchandise that, for any reason other than a failure to remit applicable duties and tariffs, will not be cleared for entry by U.S. customs (for private label products)
- Merchandise that has been recalled for any reason

REJECTED GOODS - Upon receipt of a shipment, if any products are found to be defective or do not conform to the agreed-upon specifications, SmartPak may reject and return the products at the supplier’s expense. All merchandise is subject to inspections by SmartPak or their representatives. The supplier will be held responsible for the costs associated with any 100% inspections required or costs associated with remedying minor issues, as outlined in the SmartPak Supplier Guidelines Document. Any products received or quantities received other than those specified on the Purchase Order, may be returned at the Supplier’s expense.

DISCONTINUANCE - Discontinuance of or substantial interference with SmartPak’s business, as a whole, or in part, by reason of fire, flood, earthquake, tornado, labor dispute, war, act of terrorism, natural disaster, embargo, civil commotion, or governmental regulation, or cause beyond SmartPak’s control, will allow cancellation by SmartPak of all or any portion of an undelivered shipment.

ADVERTISING MEDIUMS - SmartPak has the right to use any product descriptions and copy provided by suppliers in our own printed or digital media.

Commented [MB1]: I don't recall your terms of sale but the transfer of risk of loss will be defined by the incoterm used.

PATENTS, COPYRIGHTS AND TRADEMARKS - Vendors/suppliers warrant that the products they sell to SmartPak and the use of the products will not infringe on any United States or foreign patent, copyright or trademark or other intellectual property right of any third party. SmartPak will be indemnified if any infringement does occur.

NON-PERFORMANCE AND REJECTED MERCHANDISE DEDUCTIONS/CHARGEBACKS -

SmartPak has the right to charge an hourly rate of \$75 (one hour minimum per infraction) for costs to correct any issues caused by not following SmartPak Supplier Guidelines or Terms and Conditions as stated below. This list is **NOT** an all-inclusive list, a more comprehensive list is included in the SmartPak Supplier Guide.

Authorized Deductions:

- Failure to Label Product. If Supplier fails to label product as outlined in this term sheet, SmartPak may/will deduct labor costs incurred by SmartPak to re-label the product at an hourly rate of \$75.00 plus supplies.
- Failure to add an itemized packing list to each shipment
- Failure to Ship Product in Suitable Master Carton. Supplier will ship product to SmartPak using sturdy shipping boxes that will not crush, rip or tear.
- Rejected Merchandise. SmartPak may deduct amounts for Rejected Merchandise found to be defective. It is the supplier's responsibility to provide disposition to SmartPak for any Rejected Merchandise found to be in unsalable condition.
- Mixed Product in Master Cartons. Combining more than one SKU in a master shipping carton, unless there are inners within a single master carton, is subject to deduction.
- Customer Returns. SmartPak has the right to accept a return from a SmartPak customer of an item that is found to be defective. SmartPak will deduct the cost at net from a future invoice. If Supplier requires the return of Defective Merchandise, it will only be returned to the Supplier's designated warehouse. Outbound freight to the Supplier's warehouse shall be at the Supplier's expense.

DELIVERY CHARGEBACKS - Acceptance of the Purchase Order issued by SmartPak is confirmation of the written delivery date. If the vendor/supplier does not meet the agreed upon delivery dates, SmartPak has the right to cancel the order or for the Supplier to provide a credit of 10% of the order total.

DEFENSE AND INDEMNIFICATION BY VENDOR/SUPPLIER - Vendor/Suppliers shall indemnify, defend, and hold harmless SmartPak, its affiliates, and their respective officers, directors, employees, customers and agents (each a "SmartPak Indemnitee") against any claims, actions, suits, investigations, governmental action, demands, losses, damages, liabilities, costs or expenses, including without limitation any attorney's fees and costs of settlement arising out of any actual or threatened action, claim, suit or proceeding asserted by any third party due to (I) vendor/supplier's breach of its representations, warranties, or covenants hereunder, (II) SmartPak's uses or sale of vendor/supplier's products infringing any copyright, patent, trademark, or any other intellectual property right of a third party, (III) SmartPak's activities in connection with the marketing and promotion of vendor/supplier's products, or (IV) vendor/supplier's gross negligence or willful misconduct.

INSURANCE - Supplier agrees to maintain comprehensive "occurrence" general liability insurance, including "occurrence" product liability, contractual liability insurance and advertising injury coverage, with minimum limits of liability at \$1,000,000 and to deliver to SmartPak a certificate thereof with SmartPak named as an additional insured thereon. Such insurance must insure against all products contemplated under this Agreement. Insurance coverage must be procured from an insurance company bearing an AM Best Rating of no less than B+ or a S&P Rating of no less than BBB. SmartPak shall be given at least 30 days' notice of expiration of such document.

COMPLIANCE WITH LAWS - Vendors/suppliers shall comply with all applicable federal, state and local laws, regulations and orders. Vendor/supplier has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits required by law to carry out its obligations under the Purchase Order.

This includes, without limitation, the requirement that Seller certify in writing that products sold and shipped to SmartPak were produced in compliance with and meet all applicable requirements and standards of the Fair Labor Standards Act and the regulations and orders of the US Department of Labor issued thereunder, the Occupational Health and Safety Act, and applicable affirmative action laws. Vendors/suppliers represent and warrant that they are and shall at all times remain in compliance with all laws administered by the US Treasury Office of Foreign Assets Control ("OFAC") or any other governmental entity imposing economic sanctions and trade embargoes ("Economic Sanctions Laws") against designated countries, entities and persons (each an "Embargoed Target"). Vendor/supplier is not an Embargoed Target or subject to any Economic Sanctions Laws, and shall not (a) directly or indirectly export, re-export, transship or otherwise deliver any goods, including products sold and shipped to SmartPak or any portion thereof, to an Embargoed Target or (b) broker, finance or otherwise facilitate any transaction in violation of any Economic Sanctions Law. Vendor/supplier shall comply with all export and import laws of all countries involved in the sale of goods under this Purchase Order.

SmartPak (or a third party hired by SmartPak) retains the right to visit the factory where its products are being produced for audits during production. (<https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/care-labeling-textile-wearing-apparel>)

INVOICING - All invoices must be sent to accountspayable@smartpak.com for payment. No payment will be made unless an invoice is received.

PAYMENT TERMS - Payment terms will be calculated from the receipt of goods or invoice, whichever is later.

PHOTOGRAPHY AND ARTWORK -

SmartPak has unlimited rights to use any product images or artwork provided by you in our catalogs, on our websites and in our advertisements and, also has unlimited rights to manipulate and/or enhance the images.

DROP SHIP NAMES (Third Party Suppliers) -

If Vendor provides drop ship services for SmartPak, Vendor agrees that customer names and associated information belong to SmartPak. Vendor agrees that those names cannot be used by Vendor for any other purpose besides shipping orders as directed by SmartPak.



SUPPLIER INFORMATION REQUIRED:

Supplier Name:

Main Contact(s) with email/phone:

Name/position _____

email address _____ phone # _____

Name/position _____

email address _____ phone # _____

Name/position _____

email address _____ phone # _____

URL Address: _____ FTP site: images and logos _____

Mailing Address:

Building Address:

THIRD PARTY SUPPLIER INFORMATION REQUIRED:

SmartPak and Vendor agree to the following provisions unless otherwise modified by an accepted Purchase Order or other executed Agreement:

Payment Terms: 2% 15/ Net 90 Days ROG

Shipping Terms:

Warehouse Location:

Lead Time:

Please state any Amendments to payment terms or Terms and Conditions which supercede above:

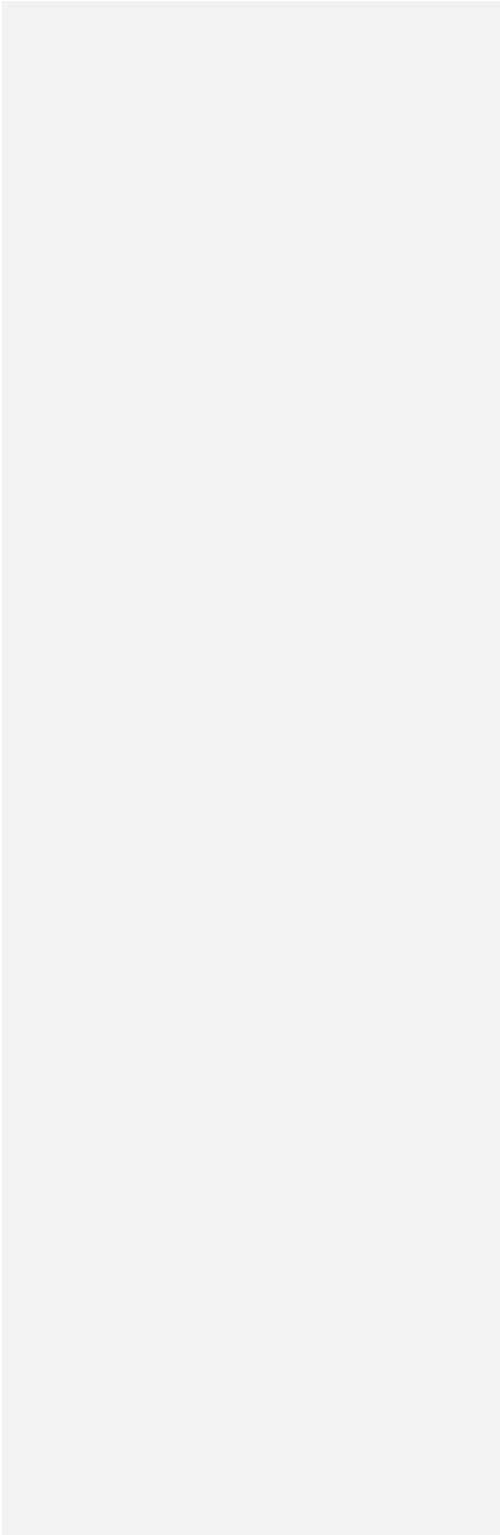
All Suppliers; please sign:

I have read SmartPak's Terms and Conditions of Purchase and agree to comply;

Signature

Company

Date



Appendix 2: Global Supplier Code of Conduct



GLOBAL SUPPLIER CODE OF CONDUCT

Purpose and Scope

At SmartPak, we believe acting ethically and responsibly is not only the right thing to do, but also the right thing to do for our business. SmartPak has developed this Global Supplier Code of Conduct (“Supplier Code”) to clarify our global expectations in the areas of business integrity, labor practices, employee health and safety and environmental management. This Supplier Code is intended to complement the SmartPak Supplier Guidelines that are focused on products and logistics.

Suppliers, and other providers of goods and services who do business with SmartPak worldwide are expected to follow this Supplier Code.

Business Conduct Principles

SmartPak expects its Suppliers, and the factories in which their goods are contracted to be made, to conduct business responsibly, with integrity and honesty, and to adhere to our values and the following principles:

- 1. Maintain awareness of, and comply with, all applicable laws and regulations.**
Suppliers shall maintain awareness of, and comply with, all applicable laws and regulations.
- 2. Compete fairly for business, without paying bribes, kickbacks or giving anything of value to secure an improper advantage.**
SmartPak is committed to conducting business legally and ethically within the framework of a free enterprise system. Corrupt arrangements with customers, suppliers, government officials or other third parties by Suppliers are strictly prohibited. “Corruption” generally refers to obtaining, or attempting to obtain, a personal benefit or business advantage (for yourself or third parties) through dishonest or illegal means.
- 3. Encourage a diverse workforce and provide a workplace free from discrimination, harassment or any other form of abuse.**
Suppliers shall create a work environment in which employees and business partners feel valued and respected for their contributions. Harassment, including unwelcome verbal, visual, physical or other conduct of any kind that creates an intimidating, offensive or hostile work environment will not be tolerated. Suppliers shall not discriminate in employment, including with regard to hiring, compensation, advancement, discipline, termination and retirement, in violation of the laws and regulations, including on the basis of alienage or citizenship, age, color, creed, disability, gender identity, genetic characteristics, marital status, domestic violence victim status, conviction record, military status, national origin, pregnancy, childbirth-and pregnancy-related medical conditions, race, religion, sex/gender, sexual orientation, or veteran status.

4. Treat employees fairly, including with respect to wages, working hours and benefits.

Suppliers shall comply with all applicable laws and regulations and will generally apply sound employee relations practices. Working hours, wages and benefits will be consistent with laws and industry standards, including those pertaining to minimum wages, overtime, other elements of compensation and legally mandated benefits.

5. Prohibit all forms of forced or compulsory labor.

Suppliers shall maintain and promote fundamental human rights. Employment decisions will be based on free choice and may not involve forced or prison labor, physical punishment or threats of violence or other forms of physical, sexual, psychological or verbal abuse as a method of discipline or control.

6. Prohibit use of child labor.

Suppliers shall adhere to the minimum employment age limit defined by applicable laws or regulations, and comply with applicable International Labor Organization standards. In no instance shall a Supplier permit children to perform work that exposes them to undue physical risks that can harm physical, mental or emotional development or improperly interfere with their schooling needs.

7. Respect employees' right to freedom of association and collective bargaining, consistent with applicable laws and regulations.

Consistent with applicable laws and regulations, Suppliers shall respect employees' rights to join or refrain from joining associations and worker organizations. Supplier will permit workers to openly communicate and share grievances with management about working conditions and management practices without fear of reprisal, intimidation or harassment.

8. Provide safe and healthy working conditions.

Suppliers shall proactively manage health and safety risks to minimize occupational injuries and illnesses. Suppliers must implement management systems and controls that identify hazards and assess and control risk related to their specific industry. Suppliers shall maintain records of work-related accidents, injuries or sicknesses and corrective actions.

9. Carry out operations with care for the environment and comply with all applicable environmental laws and regulations.

When making business decisions, Suppliers are to consider the potential environmental impact of their activities along with opportunities for conservation of natural resources, recycling, source reduction, and pollution control to ensure cleaner air and water, and to reduce landfill wastes.

10. Conflict Minerals.

Suppliers are expected to ensure that products supplied to SmartPak do not contain metals derived from minerals (or their derivatives originated from) conflict regions that directly or indirectly finance or benefit armed groups (including from the Democratic Republic of the Congo or an adjoining country).

11. Maintain accurate financial books and business records.

Suppliers shall maintain accurate financial books and business records in accordance with all applicable laws and regulations and accepted accounting practices.

12. Deliver products and services meeting applicable quality and safety standards.

Suppliers shall have adequate controls in place to ensure the integrity, quality and safety of their products

and services provided by Supplier to SmartPak.

13. Support compliance with this Supplier Code by establishing appropriate management processes and cooperating with reasonable assessment processes requested by SmartPak.

Suppliers shall establish appropriate management processes and maintain records to comply with this Supplier Code. With prior notice, SmartPak may conduct reasonable audits to verify Supplier's compliance with this Supplier Code.

14. Observe SmartPak's policies regarding gifts and entertainment and conflicts of interest when dealing with SmartPak's employees.

Suppliers are prohibited from providing or offering gifts to SmartPak employees that could inappropriately influence SmartPak's business decisions or gain an unfair advantage.

Acknowledged and Agreed:

Print Name of Supplier: _____

By: _____
(Authorized Officer Only)

Name:

Title:

Date:

Appendix 3: Labeling Requirements



Labeling Requirements

Smartpak requires that all labeling meet current U.S. Federal Trade Commission (FTC) requirements and be in compliance with all U.S. Customs and Border Protection (“CBP”) regulations. It is the responsibility of the supplier to understand and apply all labeling rules and requirements.

For further information about federal labeling requirements contact the FTC at www.ftc.gov

Items that are not labeled in accordance with all current U.S. laws and regulations will fail the quality audit, resulting in returned merchandise or fees for SmartPak to correct the labeling.

Apparel

All apparel or horse apparel must be labeled with the following information:

- Country of Origin
- Fiber Content
- Company name or Registration Number (RN#)
- Complete and accurate care instructions

<https://www.ftc.gov/tips-advice/business-center/guidance/clothes-captioning-complying-care-labeling-rule>

Footwear

All footwear product must be labeled with the following information:

- Country of Origin
- Content

Appendix 4: Country of Origin Marking Guidelines



Country of Origin Marking Guidelines

The following information is provided to our valued suppliers as a reference to ensure product and packaging are compliant with US Customs regulations. This is meant to be used as a reference. Any questions or concerns you have on marking products should always be directed towards your local US Customs and Border Protection (“CBP”) office. Ultimately, it is the responsibility of the importer of record, not the retailer, to ensure that products are properly marked. Failure to do so could result in shipment refusals and/or vendor chargebacks. Going forward, any and all new products being considered by SmartPak must be compliant as early as the first sample submission; otherwise, they will be considered non-compliant and will not be added to our assortment until a sample representing bulk production with correct Country of Origin (“COO”) labeling is approved by SmartPak.

- LAW:
 - Unless ruled as an exception by CBP, every article of foreign origin imported into the U.S. must be permanently marked in a conspicuous place in such a manner as to indicate to the consumer, in English, the correct COO. The consumer must be able to find the COO marking easily and be able to read it without strain. It is the responsibility of the party designated as the “Importer of Record” to ensure that the product(s) being imported are compliant with CBP regulations.

- APPROVED COO MARKINGS
 - COO markings must include the full English name of the COO.
 - Abbreviations which unmistakably indicate the name of a country, such as “Gt. Britain” for “Great Britain” or “Luxemb” and “Luxembg” for “Luxembourg” are acceptable. Abbreviations such as CN for China, or IN for India are **NOT** allowed. If in doubt, research your proposed marking with CBP.
 - Variant spellings which clearly indicate the English name of the COO, such as “Brasil” for “Brazil” and “Italie” for “Italy,” are acceptable. If in doubt, research your proposed marking with CBP.

- METHODS OF MARKINGS

- APPAREL: All wearing apparel items must be marked with the name of the COO by means of a fabric label, unless a precedent exists which has ruled in favor of another form of marking.
 - Shirts, Blouses, Coats, Sweaters and Similar Apparel: COO marking must be placed on the inside center of the neck, midway between the shoulder seams or in that immediate area.
 - Trousers, slacks, jeans and Similar Apparel: COO marking must be a permanent label affixed in a conspicuous location on the garment, such as the inside of the waistband.
 - Knit Tops (example: T-Shirts): A screen printed marking applied directly to the fabric in the inside center of the neck area of a knit top that is sufficiently permanent, legible and conspicuous based on (1) the suitability of the garment fabric to accept the print matter, (2) color contrast between the print and background fabric (so that the marking stands out), and (3) the size of the marking (allowing the ultimate purchaser to easily find and see the print without strain).
 - Socks: Customs has held that placing the COO marking in a conspicuous, legible place on the front of the cardboard/paper (e.g., next to the sock size marking) to which the socks are attached or the insert with which the socks were packaged was satisfactory.
 - Footwear: COO must be placed by means of a fabric label or permanent stamping in the top upper half on both the left and right article of footwear.
 - Reversible garments have an exception from the neck marking requirements and can be properly marked by means of a permanent sewn-in label on the inside lower side seam and a hang tag securely attached at the neck. Similarly, a reversible jacket can be marked with a sewn-in label at the inside pocket in combination with a hang tag attached to the front zipper closure.
 - Articles like belts can be marked with a hang tag in a conspicuous place and in a manner that assures that, unless deliberately removed, the tag will remain on the article until it reaches the ultimate purchaser.
- NON-APPAREL ITEMS:
 - Moulds: If at all possible, when an item is being tooled the COO should be included in the tooling. This will allow the item to be produced with the COO permanently marked. This would include: metal items, plastic/rubber items.
 - Sewn in Labels: If an item is produced using any textiles the rule of thumb should be to include a sewn in label with the COO. This would apply to items such as saddle pads, horse blankets, hay bags, nylon halters, cotton and nylon lead ropes, girths (except for leather), gear bags, wraps and quilts, horse boots (except leather), fly masks.
 - Labels: If paper sticker or pressure sensitive labels are used, they must be affixed in a conspicuous place and so securely that unless deliberately removed they will remain on the article while it is in storage or on display and until it is delivered to the ultimate purchaser.
 - Hang-Tags: When tags are used, they must be attached in a conspicuous place and in a manner which assures that unless deliberately removed they will remain on the article until it reaches the ultimate purchaser.

- **CONTAINERS:** If the product you are selling to SmartPak comes in a container, then certain rules must be followed in marking containers.
 - Disposable containers or holders of imported merchandise, which are sold *without normally* being opened by the ultimate purchaser must be marked to indicate the COO of their contents. This allows the consumer to readily identify the COO of the item they are purchasing at the point of sale or at the point of receipt.
 - Unsealed disposable containers of imported merchandise normally unopened by the ultimate purchaser, may be exempt from marking if the COO of the item within the container is easily visible and identified without opening/unpacking the container.
 - If the container is normally opened by the ultimate purchaser prior to purchase, however, only the article need be marked.
 - In the rare occasion an article is excepted from the marking requirements, the outermost container or holder in which the article ordinarily reaches the ultimate purchaser must be marked to indicate the COO of the article, whether or not the article is marked to indicate its COO.
 - Containers or holders of imported merchandise bearing the name and address of an importer, distributor, or other person or company in the U.S. must be marked in close proximity to the U.S. address, to indicate clearly the COO of the contents with a marking such as “Contents Made In France” or “Contents Product of Spain.”

- **MADE IN USA/AMERICA:** There are specific rules and wordings that apply to how items made in this country should be marked.
 - In any case in which the words “United States,” or “American,” the letters “U.S.A.,” any variation of such words or letters, or the name of any city or location in the United States (such as your company’s address), or the name of any foreign country or locality other than the country or locality in which the article was manufactured or produced appear on an imported article or its container, and those words, letters or names may mislead or deceive the ultimate purchaser as to the actual country of origin of the article, there shall appear legibly and permanently in close proximity to such words, letters or name, and in at least a comparable size, the name of the country of origin preceded by “Made in,” “Product of,” or other words of similar meaning.
 - The following are examples of acceptable markings where a company name & address, and USA is listed on the packaging but is actually produced in China. The COO is in close proximity and is in the same size font as the company name & address:
 - XYZ Company
222 West 4th Avenue
Anytown, PA, USA 01234
www.xyzcompany.com
Made in China
 - Designed by XYZ Company
Anytown, PA U.S.A.
Made in China

- The following are examples of deceptive markings and are **NOT** allowed:
 - “A product of ABC Corp., Chicago, Illinois;”
 - “Manufactured and Distributed by ABC, Inc., Denver, Colorado;”
 - “Manufactured by ABC Corp., California, U.S.A.;
 - “Produced for ABC Corp., Scotch Plains, N.J.;
 - “Designed in USA;”
 - “Made for XYZ Corp., California, USA;” or
 - “Distributed by ABC Inc., Colorado, USA.

Appendix 5: Sampling Requirements



Sampling Requirements

Photo samples-All Suppliers

SmartPak requires multiple photo samples of each production style for web and catalog photography. Photo samples must accurately represent bulk production quality. Photo samples must be made of production quality fabric or materials.

Below are listed the sizes per product category with the number of samples required per color. The photo sample due date for each season, is listed on the SmartPak Private Label Calendar.

Product Type	Size	#Samples/color
Ladies Bottoms	26 regular	2
	30 regular	2
Ladies Tops and Outerwear	small	2
	medium	2
Ladies Show Coats	6	2
Girls Bottoms	8 and 12	2
Girls Tops and Outerwear	medium	2
Girls Show coats	8 and 12	2
Men's Bottoms	32 regular	2
Men's Tops and Outerwear	medium	2
Horse Blankets	78" or as directed	2
Horse Products-MISC	n/a	2
Tack	full size	2
Bridles, browbands, halters	full size	2
Horse Boots	medium	2
Dressage Girths	26"	2
Hunter Jumper Girths	48-52"	2
Saddles	17 1/2, medium width	2

Appendix 7: Packaging Requirements



Packaging Requirements

SmartPak requires vendor compliance for all product received at the SmartPak warehouse.

Shipping carton identification and labeling:

All shipments must be shipped as per the LOCATION indicated on the SmartPak Purchase order:

SmartPak
40 Grissom Road
Suite 500
Plymouth, MA 02360-7251

Attn.: RECEIVING
(774) 773-1113

OR

UPS (United Problem Solvers)
1150 Trademark Drive
Suite 102A
Reno, NV 89521

Attn: Inbound Shipments
(775) 200-5133

Please do not address to the individual Buyers. (The entire PO could end up on their desk!)

Maximum Carton size:
30x30x30x30 inches
76x76x76x76 centimeters

Maximum Carton weight:
50 pounds
22 kilograms

Packing the Cartons:

Items should be packed in a carton by sku.

It is the goal for all cartons to be filled with the same sku. If at the end of packing, there are remaining mixed skus, a mixed carton is allowed. This carton must be labeled as a "mixed sku" carton with each sku separated with inner poly bags. For smaller orders, skus may only be mixed in a carton when the total units on purchase order do not completely fill the carton.

All garments must be packing in individual plastic bags labeled with the product description, coo and UPC bar code.

Product Guidelines- Supplier shall use due care in the design, manufacture and marking of the Merchandise and warrants that all Merchandise shall be free from defects and malfunctions, have adequate warnings and instructions, be shipped in the quantities specified in the Purchase Order, and shall strictly conform to the merchandise specifications and approved samples.

- All Merchandise shall have an accurate Universal Product Code ("UPC") that has been approved by SmartPak. If Supplier fails to place an accurate UPC on any Merchandise, SmartPak may assess Supplier for SmartPaks internal costs and any associated fines, costs, expenses to make merchandise compliant. If requested by SmartPak, Supplier shall place SmartPaks item number on all Merchandise.
- Each unit of Merchandise be marked with the Country of Origin in a matter conforming to the regulations US Customs.
- Articles/Products/Shipments to SmartPak by Vendor must meet/comply with All US Customs Regulations for import and sales in the United States. Failure to do so may result in a chargeback of all fines incurred by SmartPak from US Customs as well as any other cost incurred by SmartPak to correct articles/products/shipments.
- Packing list must be included with shipment and reference the PO#
- Mixed skus in a single shipping carton are no longer allowed unless multiple skus are contained in their own inner cartons.
- All garments must be individually packaged in a plastic bag and labeled.
- Glass or ceramics will be bubble wrapped or packaged individually and labeled.
- Spray bottles will come with the sprayer taped to the side of the bottle.
- All buckets will have a safety seal, lot # & date of manufacture
- EPA Registration Number must be provided for all pesticides. Note product name and registration # below if applicable.
- Vendor must provide SmartPak with MSDS for all products fall under that are liquid, gel, cream, oil etc. (The MSDS is a detailed informational document prepared by the manufacturer or importer products that contain hazardous chemicals. It describes the physical and chemical properties of the product. MSDS's contain useful information such as flash point, toxicity, procedures for spills and leaks, and storage guidelines. Information included in a Material Safety Data Sheet aids in the selection of safe products, helps understand the potential health and physical hazards of a chemical and describes how to respond effectively to exposure situations.) It is the Supplier's responsibility to provide updated MSDS as formulas are changed and/or updated.

Sealing and Marking Cartons:

Cartons must be sealed with ONE KIND of tape

- Use 2" or 3" vinyl tape
- Do not use cellophane tape; it must be strong
- All tapes must be moisture/temperature resistant and have adhesive quality that resists drying in transit
- Do not consolidate with bands, staples, strings, straps or any sealant other than tape

All Master cartons must be clearly marked with the number of boxes in the shipment, and a packing slip.



Example:

Cartons must be marked 1 of 1, OR 1 of 3, 2 of 3, 3 of 3 etc.

Packing slips must be placed in a removable pouch attached to the purchase order lead (first) carton.

The packing slip must include the following information:

- Shipper's name, address, and phone number
- Shipper invoice or PO number
- SmartPak PO number
- Description of goods
- Vendor item number (if applicable)
- SmartPak sku
- Units by sku ordered
- Units by sku shipped
- Total number of cartons
- Totals by carton
- Totals by sku (style, color, size)
- Destination address:

SmartPak
40 Grissom Road
Suite 500
Plymouth, MA 02360-7251

Attn.: RECEIVING
(774) 773-1113

OR

UPS (United Problem Solvers)
1150 Trademark Drive
Suite 102A
Reno, NV 89521

Attn: Inbound Shipments
(775) 200-5133

Important regarding shipping Smartpak Purchase orders:

It is required that each Purchase Order be shipped complete unless authorized by SmartPak. SmartPak will not accept multiple shipments for one Purchase Order unless there is a reason approved by SmartPak.

It is required that each vendor check the packing slips to be sure that it is accurate. The packing slip is a legal document for shipping and used for invoicing payments. In the case that SmartPak is the importer of record; the invoice also serves as a means for US customs to track dutiable costs and monitor imports. Therefore, accurate quantities shipped and correct costs are imperative to the process.

It is not acceptable to ship Quantity shipping from 2 or more purchase orders to be shipped under only one of the purchase order numbers even though it is the same sku.

Example:

Sku 12345; 5 units color peony PO 45686

Sku 12345; 2 units color peony PO 36789

**** Both PO #'s must be listed on shipping documents and packing list.**

Carton Label Requirements:

Carton markings must be large enough to be easily read

Mark on end and one side of the carton with the following information

- Ship to address
- Carton number (1of 3 for example)
- SmartPak PO number
- UPC code for merchandise inside carton with unit qtys of each
- Total units per carton
- Fragile (if applicable)
- Samples (if applicable)
- Hazardous Materials (if applicable)

All inner cartons must be packaged to protect the integrity of the products to keep out damaging elements, as well as be clearly identified.

All individual products packaged in polybags or inner cartons, must be clearly labeled with a printed UPC barcode sticker containing:

- SmartPak sku
- Description (from PO)
- Color Description (from PO)
- Size
- Country of Origin
- UPC Barcode

Example: sticker should be approximately 2 inches by 1 inch and placed on front lower right of polybag or package



Please be sure to ship like products together; for example, ship softline products together and hardline products together. (No breeches packed in the same carton with dog shampoo please!)

UPC Bar codes

Bar codes must be clearly readable by scan and also human readable as extra precaution. Please use standard UPC code GTIN-12 (Global Trade Item Number)

Example of shipping label:



Chargebacks for Non- Compliance

- \$75.00 per hour for labor to correct non-compliance orders will be invoiced to each supplier
- All additional materials purchased to correct orders will also be charged to vendor (hangtags, labels, polybags etc.)
- Non- Compliance includes, but is not limited to; COO labeling of product, required shipment packaging and labeling, and PO violations

PO VIOLATION

SmartPak requires that shipments match the FINAL purchase order.

A Purchase Order (PO) violation chargeback will be issued when we receive items under the following conditions:

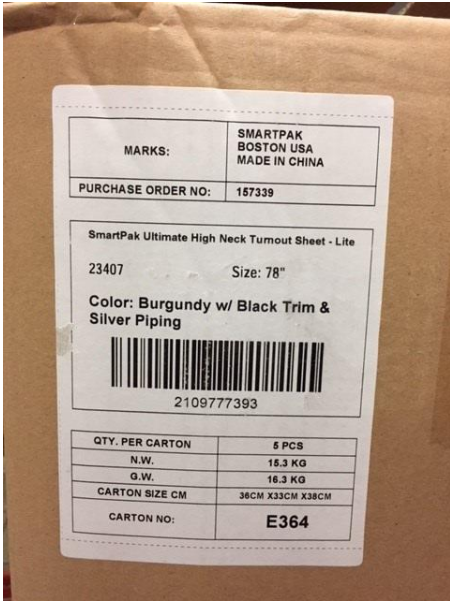
- **EXCEEDS PO** shipment included units in excess of what was ordered
- **ITEM NOT ORDERED** shipment included UPC for style substitutions that were not valid in our system or not valid for the PO at the time of receipt at the Distribution Center
- **PO CLOSED/CANCELLED** shipment received on a closed/cancelled PO
- **EARLY SHIP/PAST CANCEL DATE** order shipped outside of the not before/not after dates
- **INVALID PO** shipment received on an invalid PO number
- **DAMAGED** shipment received included damaged merchandise
- **SUPPLIER MISMATCH** shipment received when supplier number does not match the PO

Packaging Requirements Overview:

- Products need coo, fiber and content labels
- Products must be packaged in individual polybags and labeled with UPC code
- Cartons must contain a packing
- slip identifying contents of shipment and purchase order # and any difference in qty shipped vs ordered
- Cartons must be labeled clearly with information on contents and bar codes

- Any Mixed cartons must be packed with like skus in master polybag within carton, and UPC code sticker on bag with qtys and description.





Appendix 8: Shipping Guidelines



Shipping Guidelines for Suppliers-*Small Packages*

Smartpak has partnered with UPS for Domestic and International *Small Packages*. Where available, please use UPS. If you have a trusted carrier and may get better rates

General shipping:

When using UPS, you have the option of processing your shipments and creating labels on line at www.ups.com or through any UPS Supported shipping station (Worldship/Campusship).

You can complete the Commercial Invoice for International orders on line through one of these systems or create your own CO and attach it to your lead package. We **strongly** recommend using UPS on line electronic Commercial Invoice to streamline the process.

UPS instructions:

Shipments Less than 200 lbs (91 kilograms)

If shipment is 200 lbs (91 kilos) or LESS, please use a standard Airway Bill or UPS.com and ship UPS Worldwide Expedited.

1. **Shipper:** You are the shipper. Please enter your information.
2. **Consignee/Receiver:**
 - Smartpak Equine
 - Suite 500
 - 40 Grissom Road
 - Plymouth, MA **02360**
3. **UPS Service:** Select Worldwide Expedited whenever possible
 - a. If Expedited is not available, select Worldwide Express Saver

4. **Bill to:** Smartpak Equine
 - Suite 500
 - 40 Grissom Rd
 - Plymouth, MA **02360**
 - *Select "Receiver, Collect, or Third party*

Account #: 81x9x6

4. **Description of Goods:** Describe the product you are shipping.
5. If additional services are required, check off the desired service.

When packages are prepared, you can request a pick up through www.ups.com.

- If you have questions or concerns, please contact the UPS in your location/country for assistance: <http://UPS.com>



Shipping Guidelines for Suppliers- *Domestic and International Freight*

*New instructions as of June 2017

SmartPak Equine – VENDOR DOCUMENT & BOOKING BUSINESS RULES

DOMESTIC BOOKINGS

It is critical that domestic bookings are made timely and all information is presented correctly for every shipment sent to Smartpak Equine LLC. Incorrect or late bookings can lead to delays and potentially add costs and in many instances, negatively impacts customer order fulfillment.

Vendors should book cargo with for any US domestic shipment, by contacting the following:

Janel Group, Inc – Karin French (Primary), kfrench@janelgroup.com or via phone at 401-727-1776 ext 108. Please include Vivian Sheehan (Backup), Vivian.sheehan@byrnesglobal.com. Vivian can be reached at 781-246-0562 if Karin is out of the office or unavailable. If you will be late with the booking or release of goods, an immediate notification must be sent to our office.

INTERNATIONAL BOOKINGS

Shipment Documentation & Shipment Packaging Standards

It is critical that accurate documentation accompany every shipment sent to Smartpak Equine LLC. The absence of proper and correct paperwork delays the handling of your merchandise at time of receipt, adds costs and in many instances, negatively impacts customer order fulfillment.

Documentation

Document Routing – Ocean Freight

1. Smartpak Equine must be notified four (7) days prior to ship date if order is going to be late.
2. If shipment is moving under an original bill of lading, one full set of the documents described in “Documents Required for Clearance” below, including the original transport document, will be sent to Smartpak Equine via prepaid express courier.
3. If shipment is moving under an original bill of lading, the second complete set of originals, including original transport document, shall be sent to our U.S. Customs Broker (see below contact information) via prepaid express courier. **Smartpak’s Customs Broker must be listed as the notify party on all documentation.**

The Janel Group
470 Main Street
Pawtucket, RI 02860
Tel: 401-727-1776
Fax: 401-727-1874

Email: oceaninbound@janelgroup.com

4. If shipment is moving under an original bill of lading, the third set of original documents, including original transport document, should be held in your office in the event the couriered documents are lost. If originals cannot be sent due to payment terms, copies must be emailed or faxed in all cases above in lieu of originals.
5. If shipment is moving on an original bill of lading, a full set of **copy documents** must be given to our designated freight forwarder prior to shipment departure.
6. If shipment is moving under telex release, express bill of lading, seaway bill or forwarder's cargo receipt, all documents listed under "Documents Required for Clearance" may be emailed or faxed in lieu of express courier. Copies must be emailed directly by the vendor to Smartpak's and to our designated forwarder with instructions for them to send a full set of copies to Smartpak's broker via fax or email. In cases where an original document is required (e.g. textiles), that document must be sent via express courier to our Customs broker as noted above.

Documents Required for Clearance

In order for your invoice to be paid, the following copy documents are required in English:

1. Commercial Invoice, stating HTS (U.S. Tariff Number if provided by Smartpak). The Commercial Invoice must also include Ship To address provided to you by Smartpak at time of order placement, vendor number, vendor item number, Smartpak item number, complete, clear and accurate description of the merchandise, price, payment terms, currency, quantity, ship date, export case marks, country of origin, units of measure in cases or packages, and confirmation of any special instructions provided on purchase order.
2. Packing List stating number of pieces and master cartons and purchase order number. The Packing List must list carton contents by case, unless all goods are exactly the same, including case measurements, gross weight (kgs) and net weight (kgs).
3. Certificate of Origin / Form A, if applicable.
4. Forwarders Cargo receipt or House Bill of Lading (Title Transfer) issued by Smartpak's designated forwarder consigned per the below instructions and dated not later than requested ship date.
5. *Export Visa/License*, if applicable. If export visa or license is applicable, **original** must be couriered to Smartpak Corporation and **copy is not acceptable**.
6. A solid wood packing certificate stating the shipment contains no solid wood packing material or a similar statement on the transport document certifying that the shipment is free of pests or has been properly fumigated.
7. Other documents as required by U.S. Customs and/or other U.S. government agencies with jurisdiction over imported cargo (e.g. FDA, FCC, Fish & Wildlife CITES, original textile VISA, etc.). It is the responsibility of the vendor to have a clear and accurate understanding of all U.S. import regulations that apply to the products they sell in the U.S. market and to provide all required documentation and information to the designated Smartpak contact prior to or at the time of cargo arrival. It is also the responsibility of the vendor to ensure that its products comply with all U.S. regulations (e.g. Consumer Products Safety Commission regulations, lead limitation requirements in paint, Child Labor Act, etc.).

Terms and Conditions

1. Costs for storage/demurrage & detention due to late presentation of documents will be charged to the vendor.
2. Any cost applicable to fines and penalties as a result of the vendor's failure to follow the guidelines in this manual will be charged to the vendor.
3. Import issues delaying U.S. Customs' clearance may result in the possible refusal of cargo at the sole discretion of Smartpak. Repeated violations may result in the termination of Smartpak's business agreement with the vendor including outstanding purchase orders.
4. Smartpak Equine LLC, 40 Grissom Road, Plymouth, MA 02360 shall be listed as the consignee/purchaser of all bills of lading, transport documents and commercial documents/invoices.

How to Consign Bills of Lading & Documents

CONSIGNEE & NOTIFY PARTY ON BILL OF LADING OR AIRWAYBILL

Consignee:

Smartpak Equine LLC

40 Grissom Road
Plymouth, MA 02360

Ship to Address:

AS DESIGNATED ON THE PURCHASE ORDER.

NOTIFY PARTY – on housebill:

The Janel Group
470 Main Street
Pawtucket, RI 02860
Tel: 401-727-1776
Fax: 401-727-1874
Email: oceaninbound@janelgroup.com

IMPORTANT NOTE: If you need assistance, please contact our team at Janel Group at the below listed email addresses or phone numbers so they can immediately follow up on your behalf to avoid any delays.

Contacts:

Danielle Conboy – dconboy@janelgroup.com 401-727-1776 ext 139, (mobile: 401-316-1015)
Ginny Bates – gbates@janelgroup.com 401-727-1776 ext 122
Jennifer Kulesza – jkulesza@janelgroup.com 401-727-1776 ext 113

BOOKINGS

It is critical that international bookings are made timely and all information is presented correctly for every shipment sent to Smartpak Equine LLC. Incorrect or late bookings can lead to delays and potentially add costs and in many instances, negatively impacts customer order fulfillment.

Vendors should book cargo with our designated freight forwarder (see below list), 7-10 days prior to cargo ready date. If you will be late with the booking or release of goods, an immediate notification must be sent to our office.

Smartpak Equine LLC Forwarder Contact Sheet				
Country	Export Port	Partner	Phone Number	Contact
China	Shanghai - AIR	T.H.I Group	+86-21-6133-9555	Alice Hua - alicehua@t3ex-thi.com Tracy Hu - TracyHu@t3ex-thi.com
China	Shanghai - OCEAN	T.H.I Group	+86-21-6133-9555	Montro Cheng - monrocheng@t3ex-thi.com Angel Zhang - AngelZhang@t3ex-thi.com
China	Xiamen - AIR	T.H.I Group	+86-592-213-5694	Leon Shi - LeonShi@t3ex-thi.com
China	Xiamen - OCEAN	T.H.I Group	+86-592-213-5694	Amie Zhou - Amiezhou@t3ex-thi.com
Taiwan	Kaohsiung - AIR	T.H.I Group	+886-7-269-3770	Monica Chi - monicachi@t3ex-thi.com
Taiwan	Kaohsiung - OCEAN	T.H.I Group	+886-7-269-3770	Judy Chen - judychen@t3ex-thi.com
Germany	Bremerhaven	I.L.T.	+49-42-130-8860	Markus Kramer - markus.kramer@ilt.de Peter Schulz - peter.schulz@ilt.de
India	Nhava Sheva	Dart Global	+91-44-2230-1243	Mirwaan Hassan - mirwaan.in@dartglobal.com Rahul Kumar Singh - rahul.in@dartglobal.com
India	Delhi	Dart Global	+91-44-2230-1243	Mirwaan Hassan - mirwaan.in@dartglobal.com Rahul Kumar Singh - rahul.in@dartglobal.com

