



# **Vendor Standards Agreement**

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To Our Valued Business Vendors,

Upper Right Marketing (URM) is experiencing significant success and growth with our customers and in the markets that we serve. Much of our success ultimately depends on the quality of the relationships we have with our vendors.

URM's goal is to create business relationships with vendors where we are true partners in each other's continued success. This type of relationship requires ongoing communications and adherence to the highest quality product and service standards.

As part of our vendor partnership development, we have created this **Vendor Standards Agreement**. This Agreement clearly outlines critical standards that our vendors must meet to help ensure a successful, long-term relationship with URM. It also outlines important URM policies and procedures.

Thank you for being a vendor to URM. I look forward to the prospect of developing a valuable business partnership with you.

Sincerely,

Jimmy Dawahare  
President  
Upper Right Marketing

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## URM Vendor Standards


All Upper Right Marketing (URM) vendors will be expected to perform to strict compliance standards. These standards are outlined below, in addition to URM's policies in the event of non-compliance.

All vendors are expected to conform to the below standards **unless otherwise stated in a Purchase Order (PO). Any PO specification automatically replaces the corresponding specification stated below.**

Category	Compliance Standards	Charge-Back Rates
<b>Invoices</b>	<b>ALL</b> invoices must be mailed to:  Upper Right Marketing ATTN: Accounts Payable 109 Mercer Court Lexington KY 40511	Invoice sent to any address other than 109 Mercer Court, Lexington, KY 40511 or emailed to URM: \$200 per occurrence
MAILING ADDRESS		
EMAIL	Or emailed to <a href="mailto:invoices@upperrm.com">invoices@upperrm.com</a>  <b>UNDER NO CIRCUMSTANCES should any invoice be sent to the shipping destination.</b>	
PO #	URM's PO # must appear clearly on all invoices.	PO # not on invoice: \$50 per occurrence
MATCHED PRICES	URM will only pay the PO price for each invoice item. All vendor invoice items must match the corresponding URM PO price.	Invoice item does not match the PO price: \$50 per line item/occurrence
<b>Shipping Window</b>	Vendor will not ship any merchandise outside of the shipping window clearly stated in the upper left –hand corner of the PO. The "Ship Date" is the <u>first</u> date that shipments can be made and the "Cancel Date" is the <b>last</b> date that shipments can be made against a specific PO.  <b>Any extensions must have explicit <u>written</u> approval from URM.</b>	URM reserves the right to refuse and/or return any items that are shipped after the PO Cancel Date: \$100 per occurrence plus freight in and out.
<b>Packing Slips</b> ALL ORDERS	Packing slips must accompany all orders.	Packing slip not shipped with order: \$100 per occurrence
PO #	URM's PO # must appear clearly on all packing slips.	PO # not on packing slip: \$50 per occurrence

Category	Compliance Standards	Charge-Back Rates
<b>Packing Slips</b> (cont) LEAD CARTON	Packing slips need to be on the "lead" carton for each order (see next item for lead carton description).	Packing slip not on lead carton in order: \$25 per occurrence
<b>Shipping and Packaging</b> NUMBERING	All cartons in shipments must be clearly labeled as # of # (e.g. 1 of 1; 1 of 3, 2 of 3, 3 of 3).  The first box in a multi-box order is referred to as the "lead" carton.	Cartons not numbered: \$10 per carton
<b>Tickets</b>	Vendors must ticket all items with a URM-supplied (or vendor-supplied, URM-approved) ticket, unless specifically instructed otherwise on URM's PO.  Tickets sent by URM should not be copied or altered in any way.	Missing Tickets: \$100 per order occurrence plus \$0.25 per missing ticket
<b>Ticket Placement</b>	In all cases where a URM-supplied hang tag is provided, tickets must be placed on the back of hang tag.  On items that do not have a hang tag, tickets should be placed according to general industry standards. Specific guidelines for a few common items are:  <u>Glassware and Drinkware</u> (e.g. glasses, shot glasses, cups/mugs, tumblers): tickets on bottom  <u>Apparel Tops</u> (e.g. T-shirts, sweat shirts, woven shirts): attached to inner neck label at center.  <u>Signs</u> : tickets on back  <b>Tickets must not cover any important product-related information including any warning statements.</b> If you are unclear about where to place tickets, please call your URM buyer/contact.	Incorrectly placed tickets: \$100 per order occurrence plus \$0.25 per incorrectly placed ticket

Category	Compliance Standards	Charge-Back Rates
<b>Hang Tags</b>	<p>URM will specify on its POs when hang tags are required.</p> <p>Vendors must utilize a URM-supplied (or vendor-supplied, URM-approved) hang tag.</p> <p>Hang tags sent by URM should not be copied or altered in any way.</p>	Missing hang tags: \$100 per order occurrence plus \$0.25 per missing hang tag
<b>Hang Tag Placement</b>	<p>Hang tags should be placed according to general industry standards. Specific guidelines for a few common items are:</p> <p><u>T-shirt</u>: attached to inner neck label</p> <p><u>Headwear</u> (e.g. baseball hats, knit hats): attached through top center</p>	Incorrectly placed hang tag: \$100 per order occurrence plus \$0.25 per incorrectly placed hang tag
<b>Presentation Standards</b> FLOOR READY	<b>All merchandise must be received in "floor-ready" condition (e.g. ready for immediate placement on the selling floor).</b>	
FOLDING/HANGERS	<p><u>T-Shirts</u>: standard industry board fold (9½" W x 11½" L)</p> <p><u>"Polo" Shirts</u>: standard industry board fold (9½" W x 11½" L)</p> <p><u>Sweatshirts</u>: standard retail industry fold</p> <p><u>Collared Shirts</u>: standard retail industry fold (no hangers unless otherwise specified on PO)</p> <p><u>Jackets/Outerwear</u>: standard retail industry fold (no hangers unless otherwise specified on PO)</p>	Incorrectly folded item: \$100 per order occurrence plus \$0.30 per incorrectly folded item
SIZE STRIPS	ALL garments that are displayed folded require a size strip readily visible to the customer - displayed on right-hand side (facing the garment) and centered on the fold. See below example. Size dots are not permissible as they are not visible to customer when items are stacked.	Incorrectly placed side strips: \$100 per order occurrence plus \$0.30 per incorrectly placed side strip

Category	Compliance Standards	Charge-Back Rates
	 <p>The image shows a dark grey t-shirt laid flat. A wooden ruler is placed vertically on the left side and horizontally at the bottom. A black tag with a colorful graphic is attached to the shirt. In the bottom right corner of the shirt, there are five white rectangular labels, each with the word 'MEDIUM' printed on it.</p>	
<b>Style and Item #</b>	Vendor must not change or substitute the product style or item # from that stated on the PO without explicit <u>written</u> approval from URM.	URM reserves the right to return all non-approved styles and item #'s to vendor.

## General URM Policies

Vendor Credits. URM requires vendors to issue credit for merchandise that is considered sub-standard (e.g. defective, damaged, or unsalable for any reason).

Image Fees. For retail items that are going to be merchandised online, URM will deduct a ONE-TIME \$20 per style/per color image/digitizing fee from the related invoice amount.

Shipping Costs. For any packages shipped west of Mississippi, vendor will pay one-half (1/2) of the freight costs.

Payment Terms. Due to the unique aspects of URM's business, URM respectfully asks for net 60-day payment terms.

Vendor Liability Insurance. Vendor shall obtain and maintain, at its sole cost and expense, comprehensive general liability insurance coverage in an amount appropriate to vendor's business and operations, including a more than sufficient amount per occurrence for bodily injury and property damage. Such insurance shall provide coverage with respect to all customary liability, including product liability and contractual liability. Vendor agrees that it shall provide, upon URM's request, certificates evidencing vendor's compliance with the foregoing requirements.

**I accept and agree to all of the terms in this URM Standards Agreement:**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company