

BOP LLC

Vendor Operations Manual

October 1, 2014

CONTENTS

- FULFILLMENT OF PURCHASE ORDER 3
- PRODUCT PACKAGING REQUIREMENTS 4
- PRODUCT INFORMATION..... 5
 - Textile Apparel Labeling..... 5
 - Wool Labeling 6
 - Fur Labeling..... 6
 - Specification Sheets 6
- PACKING SLIP REQUIREMENTS 7
- SHIPPING REQUIREMENTS..... 7
 - Carton Requirements..... 7
 - Shipping..... 8
 - Pallets (UPS Freight)..... 9
- PAYMENT REQUIREMENTS 9
 - Invoices 9
 - Discount Period..... 10
- VENDOR NON-COMPLIANCE CHARGEBACK POLICY 10
- CONTACT INFORMATION..... 11

FULFILLMENT OF PURCHASE ORDER

Vendors are required to confirm receipt of orders and advise the Purchasing Department of any issues related to purchase orders prior to shipment of goods.

Quality

BOP LLC requires that all products purchased be of the highest production quality. Shipments must be packaged so that the contents can withstand the rigors of transportation and receipt into BOP LLC's warehouse. Damaged cartons may be rejected at the discretion of the warehouse.

Compliance with Ship Windows

The ship window is specified by two dates on the PO. The first is referred to as "Start Date," and the second is referred to as "Cancel Date." POs should not be shipped to arrive before the Start Date, and are expected to be in the BOP LLC warehouse by the Cancel Date.

- Orders that are not delivered in their entirety on or before the cancel date must be pre-approved by the buyer representative.
- If a late order (partial or full) is approved, BOP LLC may ask for an item discount and vendor-funded expedited shipping.

Modifications to PO

Substitutions will not be accepted without BOP LLC's written consent. Substitutions arriving at the BOP LLC warehouse dock without consent will be returned at the vendor's expense. Changes to cost of goods will be accommodated up to 30 days following the date the PO was sent to the vendor. Please note: such changes may result in BOP LLC changing unit quantities or canceling the style. Cost change communication outside the 30-day window may not be accepted.*

Vendors should notify their buyer representative prior to shipment of goods if any of the below occur:

- Changes in exact style or color.
- Changes in unit cost, style number, quantities, color names, etc.
- Updated product edition information, to ensure POs are up to date.

*If BOP LLC is notified after the 30-day deadline, BOP LLC may choose to reject the order or deem the original PO information valid.

Ship-To Address

Shipments arriving at a location other than the address stated on the PO will be subject to BOP LLC's [Chargeback Policy](#). Ship-to addresses may change between orders. It is imperative to ship to the address listed on the current PO.

Credit Limits

BOP LLC is not subject to credit limits, and orders cannot be held due to meeting or exceeding vendor-imposed credit limits.

PRODUCT PACKAGING REQUIREMENTS

Items and/or item packaging that do not comply with the requirements outlined below are unacceptable and may be refused at BOP LLC's receiving dock and returned at the vendor's expense. Or, a chargeback may be issued.

Detailed packaging instructions for individual items may be specified by your buyer representative. If there are any questions or concerns, please contact your buyer representative or a shipping and fulfillment representative.

Exterior Labeling

Each unit must be labeled on the outside of the item's packaging, easily accessible without opening the product (e.g. stickers on poly bags, hangtags, etc.).

Each label must include the following information, and should be an exact match to the packing slip and any tags sewn into the garment:

- Style Number (vendor style reference number)
- Color*
- Size

*Color codes must always be accompanied by a color description, either on the label or on the packing slip. Subcategories of patterns must also be described.

Apparel

All apparel must be shrink-wrapped or packaged in a sealed poly bag. Shrink wrap/poly bag should not extend more than 3 inches beyond the dimensions of the product.

Items on hangers must include a hangtag with the style number, color, and size of each item. Each item must be packaged in a sealed poly bag with a typed sticker containing the same information on the outside of the bag. Please ensure hangers are durable enough to adequately support the weight of the product.

Outerwear such as jackets and coats must always be shipped on hangers.

Accessories

All accessories (e.g. handbags, belts, sunglasses, watches, jewelry, etc.) must be packaged in sealed poly bags, plastic zipper-locking bags, or a cardboard container. A typed sticker with the style number, color, and size of the item must be placed on the outside of the packaging.

Assembly

ALL MERCHANDISE MUST BE SHIPPED READY TO SELL. If there are multiple pieces for one item, all pieces must be contained in the same packaging. BOP LLC will not accept product requiring assembly of multiple separate pieces.

- Bikinis / Lingerie: Tops and bottoms should be packaged as one item if sold as a set. If sold individually, each piece should be packaged separately.

- Swimwear: Hygienic liners must be applied to the bottoms of all swimwear.
- Handbags: Dust bags must be included with handbags and must either be folded inside the handbag or packaged in the same poly bag.
- Jewelry: Each unit must be in its own container. If jewelry must be shipped in a brand-specific jewelry pouch or other jewelry case, vendor must package each item within these cases. A typed sticker with the style number, color, and size of the item must be placed on the outside of the case. If jewelry does not require a pouch or other jewelry case, BOP LLC will ship the unit to the customer in a generic jewelry box.
- Sunglasses / Watches: Must be shipped pre-packed in their cases. A typed sticker with the style number, color, and size of the item must be placed on the outside of the case.
- Belts: Must be packaged in a sealed poly bag. A typed sticker with the style number, color, and size of the item must be placed on the outside of the bag.

PRODUCT INFORMATION

Items that do not comply with the requirements outlined below may be refused at BOP LLC's receiving dock and returned at the vendor's expense. Or, a chargeback may be issued.

Textile Apparel Labeling

All wearing apparel, including clothing and worn accessories like scarves, must comply with the USA Federal Trade Commission (FTC) labeling guidelines:

1. Product labels and care labels must be in English (at a minimum—other languages can be included as well).
2. Product labels and care labels must be legible.
3. Product labels and care labels must be attached to the garment.
 - a. The product label may be sewn in or attached as a hangtag.
 - b. The care label must be sewn into the garment.
4. Product labels must have all of the following information:
 - a. Name of brand/manufacturer. Manufacturer's name or RN, retail store's name or RN, or business name or RN of any other company in the USA directly involved in distribution.
 - b. Fiber content:
 - Percentages of fiber content must be listed in order of predominance by weight.
 - Generic names of fibers must be used (trademarked names can be included as long as the generic name is also included).
 - For textiles derived from bamboo, the label must specify if the fiber is rayon or viscose ("viscose," "viscose made from bamboo," "rayon," or "rayon made from bamboo" are all acceptable).
 - For textiles derived from soy, the label must specify if the fiber is azlon ("azlon" or "azlon made from soy" are acceptable).
 - c. Import designation:
 - Imported products made entirely abroad must identify the country where they were processed or manufactured. "Imported" or "Made in the European Union" without a country name is not sufficient.

- Products made entirely in the USA of materials also made in the USA must be labeled “Made in USA,” or equivalent phrase.
 - Products made in the USA of imported materials must be labeled to state the country of origin of the imported materials.
 - Products partially manufactured in the USA and partially manufactured in another country must be labeled to show both foreign and domestic processing.
5. Care labels must include at least one safe cleaning method—either washing or dry cleaning—and any necessary warnings about the cleaning method.

Wool Labeling

Items containing any amount of wool must comply with the USA FTC Wool Act. These items must include the percentage of wool contained in the item. The label can be sewn into the item, attached via hangtag, or affixed to the item’s box.

Fur Labeling

Wearing apparel and accessories containing any amount of real animal fur (including, but not limited to, rabbit, raccoon, fox, calf hair/pony, and shearling) must be labeled according to the USA FTC Fur Labeling Act.

- The required label shall have a minimum dimension of one and three-fourths (1¾) inches by two and three fourths (2¾) inches (4.5cm x 7cm). Lettering: no smaller than pica or 12 point type, with all parts of the information in letters of equal size and conspicuousness.
- Such label shall be of a material of sufficient durability and shall be conspicuously affixed to the product in a secure manner and with sufficient permanency to remain thereon throughout the sale, resale, distribution, and handling incident thereto, and shall remain on or be firmly affixed to the respective product when sold and delivered to the purchaser and purchaser-consumer thereof.
- The required order of the information on the label:
 1. If applicable, that the fur has been artificially colored.
 2. The name, in English of the animal(s) that produced the fur.
 3. If applicable, that at least 10% of the product is composed of paws, tails, bellies, or waste fur parts.
 4. Country of origin, stated as “Fur origin: [name of country].”
 5. If applicable, that the product contains used or damaged fur.
 6. Any other information that is required or permitted.
 7. The name or RN of the manufacturer or dealer may either precede or follow the above.

Applicable categories: Apparel, shoes, scarves, hats, gloves, and other wearable accessories.

PLEASE NOTE: BOP LLC does not sell fur from Asiatic raccoons that have been raised in China. If BOP LLC receives products containing Asiatic raccoon fur from China, they will be returned to the vendor, at the vendor’s expense, for a full refund.

Specification Sheets

Belts, handbags/wallets, jewelry, shoes, and watches must have accompanying specification sheets filled out prior to the products’ arrival in the BOP LLC warehouse. Blank specification sheets can be found on the BOP LLC Vendor Services page: <http://vendorservices.shopbop.com/>. Completed sheets must be

emailed to producteditors@shopbop.com. If the completed specification sheets are not received within 3 business days of the products' arrival in the BOP LLC warehouse, a chargeback will be applied to the shipment.

Required information includes, but is not limited to, detailed metal and stone content on jewelry, source animal for all leather items, and product country of origin. Detailed requirements can be found on the blank specification sheets.

Any delays in receiving this information will result in delays in publishing the products to the BOP LLC website(s).

PACKING SLIP REQUIREMENTS

All shipments MUST CONTAIN A PACKING SLIP, including small parcel shipments, repaired items, etc.

Each packing slip must include:

1. BOP LLC's full PO number
2. Style Numbers
3. Style Descriptions
4. Color Names (color codes must always be accompanied by a color name)
5. Sizes
6. Quantities (broken down by style, color, and size)
7. Items containing any amount of fur must outline the fur's source animal and country of origin, as well as any special treatment or dyes.

Additional guidelines:

- Packing slip must be easily identifiable and sealed in a waterproof pouch that has been secured to the exterior of the carton.
- If there are multiple cartons in a shipment, the packing slip must be with the first carton in the shipment and must include every item for the entire shipment.
- Color codes must always be accompanied by a color description, either on the label or on the packing slip. Subcategories of patterns must also be described.
- Do not list items that have not yet shipped.
- Packing slips printed on the carton(s) or directly attached to the outside of the carton(s) are unacceptable.

SHIPPING REQUIREMENTS

Carton Requirements

CARTONS MUST NEVER EXCEED A WEIGHT LIMIT OF 40LBS.

- All cartons must be standard, shippable containers that will sufficiently protect the contents during transit and receipt into the BOP LLC warehouse.

- Whenever possible, separate similar colors of different styles within a carton.
- Voids must be filled with a sufficient amount of void fill to ensure contents are not damaged during transit.
 - **Shoes:** It is preferred that voids in cartons of shoes be filled with empty shoe boxes. Any damaged boxes will be returned, or new boxes will be requested.
- All cartons should be marked sequentially (e.g. 1 of 5, 2 of 5, 3 of 5, etc.).
- Each carton should be clearly labeled with the full BOP LLC PO number. The PO number can be hand-written on the carton or printed on a label attached to the carton.

Shipping

Ship-To Address (As Noted on PO)

BOP LLC
1301 E Washington Ave
Madison, WI 53703

BOP LLC
4718 Helgesen Dr
Madison, WI 53718

PLEASE NOTE: Ship-to addresses may change between orders. It is imperative to ship to the address listed on the current PO.

Shipping Labels Must Include:

1. Full BOP LLC PO number.
2. Return address.

Cartons Must Include:

- Shipping label addressed to the appropriate BOP LLC warehouse.
- Full BOP LLC PO number clearly visible.

Please do not address cartons to a specific person's attention, unless authorized by an employee of BOP LLC. All cartons should be addressed to BOP LLC only. Including "Receiving Department" is acceptable if necessary.

Shipping labels must be clearly visible, whether on the top or side of the carton, and should not cover any seams on the carton.

For Domestic shipments of less than 15 cartons BOP LLC's preferred shipping method is UPS Ground Parcel. Please use BOP LLC's UPS account number to ship, rather than including the charge in the invoice. UPS account number: 1135EW

For Domestic shipments containing 15 cartons or more BOP LLC's preferred freight method is UPS Freight. These larger shipments should be shipped via UPS Freight with the freight charges marked collect or third party bill to BOP LLC unless otherwise authorized by a shipping and fulfillment contact.

Pallets (UPS Freight)

ALL NON-PARCEL SHIPMENTS MUST BE PALLETIZED.

FLOOR-LOADED SHIPMENTS ARE UNACCEPTABLE.

- When loading pallets, each carton stacked on the pallet must be visible.
- All pallets must be stretch-wrapped in plastic with a “Do Not Break Stretch Wrap” or “Do Not Break Down” notification to the carrier, as well as a “Do Not Accept if Wrap is Tampered With or Broken” notification.
- Pallet exchange is not available.
- Merchandise must not hang over the pallet edge.
- Pallets must not be built over 5-feet high, including the pallet.
- Pallets must not be stacked on top of one another.
- PO numbers must be visible on each stacked pallet.

PAYMENT REQUIREMENTS

Send Invoices to:

Email: invoices@shopbop.com (preferred method)

Fax: 608.270.3933

Mail:

BOP LLC

1245 E Washington Ave, Suite 300

Madison, WI 53703

Invoices

- BOP LLC does not accept Pro Forma invoices, sales orders, or packing slips for processing.
- All invoices must adhere to industry standards, listing:
 - Invoice number
 - Invoice date
 - Accurate payment terms, including all discounts
 - Full BOP LLC PO number
 - Style item number
 - Description
 - Color and size, if applicable
 - Quantity
 - Unit cost
 - Extended cost
- Invoices should reference only one PO number.
- All invoices should be sent electronically to: invoices@shopbop.com.
- All accounts payable-related questions and/or payment inquiries should be sent to: accountspayable@shopbop.com.

Discount Period

- Discount days are computed as of the date of full receipt of the invoiced merchandise or as of the receipt date of a correct and accurate invoice, whichever date is later.
- Discount days are defined as business days.

VENDOR NON-COMPLIANCE CHARGEBACK POLICY

General

BOP LLC strives to offer the best women's fashion selection and the highest level of service and convenience to its customers. Achieving these goals requires the full support of vendor partners. Compliance with the requirements of BOP LLC's Vendor Operations Manual is a critical component of this support.

BOP LLC works closely with vendor partners to ensure the requirements detailed in the Vendor Operations Manual are understood and that vendors have a means of monitoring their performance against the highest priority requirements. Failure to meet these high-priority needs results in costs associated with research, mitigation, transportation, and rework.

As a result, BOP LLC has implemented a chargeback process to pass these costs on to vendor partners. The goal of this initiative is not to generate revenue but to promote better operational integration with vendor partners and improved service to BOP LLC customers going forward.

Notification

Vendors will be notified of violations of the chargeback policy at the time they occur. Notification will be made via email from BOP LLC's receiving department. The first infraction of the issues listed below will result in a warning email with no chargeback fee. Any future violations will result in a chargeback fee.

Chargeback Detail

Chargeback detail (type of infraction, quantity, purchase order, date, etc.) will be provided in the emails described above, as well as summary of the chargeback incurred. The detail provided in the chargeback notifications will be deemed valid against the vendor's account. See "Disputes" below for information on disputing a chargeback.

Chargeback Methodology

BOP LLC will assess chargebacks as credits for invoice payments. The chargeback will be applied to the next payable invoice.

Chargeback Rates

The goal of this program is to improve the accuracy, efficiency, and reliability of the order-to-payment process. The related rates are intended primarily to recover the additional costs incurred in BOP LLC's operational areas due to violations.

Chargebacks will be assessed at the following rates:

- Missing or incomplete PO number from carton, packing slip, or invoice: **\$10 per carton/packing slip/invoice.**
- Missing style number/color/size on item: **\$5.00 per unit.**
- PO addressed incorrectly: **\$10.00 per carton.**
- Missing packing slip/missing information: **\$10.00 per packing slip.**
- Assembly: **\$5.00 per unit.**
- Style/color/size not ordered: **\$5.00 per unit.**
- Shipment overage: **\$5.00 per unit.**
- Relabeling fee: **\$5.00 per unit.**
- Missing or incomplete product specification sheets: **\$100 per shipment.**

Disputes

The vendor has up to 7 days from the date of the infraction to dispute a chargeback. To dispute, the vendor must contact their buyer representative via email or phone with the specific chargeback, the reason for the dispute, and specific evidence of compliance. BOP LLC will respond to the vendor within 7 business days of the dispute. If the vendor's claim provides conclusive evidence of compliance, the chargeback will be reversed.

CONTACT INFORMATION

Purchase Orders

Buying Office Main: 212.529.4342

Buying Office Fax: 212.243.2140

Buying Office Email: buyer@shopbop.com

Shipping & Fulfillment

ReceivingExceptions@shopbop.com

Accounts Payable

All invoices must be billed in US dollars.

All invoices should be sent electronically to: invoices@shopbop.com

All AP-related questions and/or payment inquiries should be sent to: AccountsPayable@shopbop.com

AP Phone Contact: Accounts Payable, 608.270.3900

Chargebacks

chargebacks@shopbop.com

Bop Store

Buyer: Kristin Hanefeld

kristin.hanefeld@shopbop.com

608.255.2570

Ship to:

BOP (Bop Store)

222 W Gorham St

Madison, WI 53703