

Resource Requirement Guide

Domestic and International, Packaging, Shipping and Labeling Specifications for
Overtons



Revision Date: January 2013

Resource Requirement Guide

Product Samples

Our Purchasing Department is always looking for new products or new product ideas. Feel free to e-mail us your new product or product idea information to newproduct@overtons.com.

Please submit all product samples to:

Overton's, 111 Red Banks Rd., Greenville, NC 27858, Attention: Purchasing Department

With each sample, include the following:

- Contact information
 - Minimums
 - Sizes/Colors – Swatches if possible
 - Date available
 - Product description, history, advertising, etc.
 - Suggested Retail
 - Cost
 - Terms
 - FOB
- ❖ Overton's does not pay for samples
 - ❖ Photo samples will not be returned
 - ❖ Other product samples will not be returned without a specific request and shipping account
 - ❖ Overton's may request a signed non-disclosure agreement at the start of new product development to secure exclusive products.

Product Specifications:

Before the Purchasing Department selects a product for the Internet or a Catalog they will need all of the necessary product information. The manufacturer must supply all product specifications in order for us to advertise the product to our customers. Once we advertise the product per the manufacturer's specification, it is imperative that the manufacturer not deviate from the specifications from purchase order to purchase order. In addition, all packages of multiples must come to Overton's packaged in the quantity agreed upon by you and the Purchasing Department. The manufacturer will be expected to communicate any changes to a product's specifications immediately to the Purchasing Department so that it can be addressed within Overton's. This includes but is not limited to; construction, materials, size, color, labeling, packaging, graphics, UPC code, lead-time, etc. Any deviation from the original product and/or unauthorized substitutions will result in a Quality Control charge back of \$25 dollars per hour to recover the cost of processing an order and may also result in the entire shipment being returned (RTV) to the manufacturer. The manufacturer will be charged back shipping cost and a \$25 per hour processing fee. Failure to ship a product that adheres to the original product specification will delay the receipt of the product and will be subject to Backorder charges. See **Backorders Due to Late Deliveries** below.

Material Safety Data Sheets:

Overton's expect the manufacturer is responsible to identify all hazardous material. You must supply Overton's with the proper data sheets (MSDS) for each applicable item that is regulated by the DOT 49 Code of Federal Regulations (refer to the United States Department of Transportation CFR 49 book). This must include shipping name, hazard class, and hazard shipping number for all hazardous material. Send to Overton's Inc., Attention: Ted Davis. Any changes/fines resulting from a manufacturer's failure to supply Overton's with this type of information will be charged back to the vendor.

Forecast:

Overton's will provide product forecast upon request. Our forecast is a non-binding estimate of a product and is no way to be considered an order. In order for us to provide a vendor with forecast in a timely manner, we require a deadline date you need the forecast by and the reason you need the forecast.

Shipping and Routing Guidelines

Lead Time:

Overton's will request lead times for all products that are sold through our catalogs and internet. A manufacturer's lead is the time it takes to deliver a product once an order is received by the manufacturer and delivered to our Distribution Centers. It is essential for a lead-time to be accurate. We use lead times in our forecasting system to project just in time inventory. It is the manufacturer's responsibility to communicate any product lead-time changes immediately to our Inventory Manager.

Shipping Products on Time:

Overton's expects a vendors to ship products on time as requested by our PO due date. Overton's relies on the requested delivery date to plan labor, staffing and manage inventory levels. Late shipments also translate into lost sales and potentially lost customers. Overton's conducts an on time delivery review on all of its vendors to analyze a vendor's ability to ship products. A poor percentage of on time deliveries will jeopardize future business opportunities with Overton's. It is imperative that a vendor supplies Overton's with a lead-time and stick to its lead-time. Overton's expects a vendor to notify our purchasing department of any unforeseen late shipment prior shipping the product.

Non-Delivery of Products:

In the event that you have confirmed a Purchase Order, and then are unable to deliver, the manufacturer must notify the Purchasing Department Buyer immediately. If you notify us and we are able to pull the product from a catalog before it is printed, you will not incur a chargeback. If you do not notify us before the catalog is printed, you will incur a Chargeback for all of the lost revenue and the cost of the space that was allocated to the product/products. The lost revenue will be calculated based on the forecasted sales of the product for the catalog.

Partial Deliveries:

If a manufacturer fails to deliver a Purchase order 100% complete and Overton's is paying for the freight, you will be expected to pay for the shipping on any product that is shipped after original purchase Order is shipped. The manufacturer must notify the Re-Buyer before the remaining product/products are shipped.

Unconfirmed Back-up Purchase Orders:

Overton's often will negotiate with the manufacturer to reserve an amount of safety stock or back-up inventory for future purchase. If a manufacturer agrees to hold this type of inventory the Re-Buyer will issue an "Unconfirmed Purchase Order. These purchase orders will be clearly identified in the comments portion of a purchase order. The comment will read "***SUBJECT TO CHANGE, CALL BEFORE SHIPPING***". You must contact our Re-Buyer to get written approval before you ship the purchase order. If the manufacturer ships the purchase order without written approval, you will be subject to a chargeback of \$25 per hour to recover the cost of processing an order and may also result in the entire shipment being returned (RTV) to you at your expense.

Late Deliveries:

It is critical that all Purchase Orders are delivered on time. If the manufacturer anticipates a delay in delivery, you must contact the Re-Buyer immediately, so that our Re-Buyer can determine how best to handle the impact of the late delivery. The manufacturer may be required to expedite delivery of all or part of the Purchase Order at their expense in order to avoid or minimize backorders. Overton's requires a manufacturer to confirm all Purchase Orders. We expect a confirmation within 2 business days confirming the delivery date to our back door and the manufacturer's cost. Any Purchase Orders that is received after the due date, to our Distribution Centers, will be subject to a 10% Chargeback, not to exceed \$1,500.00. Purchase Order cancellations will be communicated to you by our Re-Buyer and any canceled Purchase Order deliveries will be returned at the manufacturer's expense.

Backorders Due to Manufacturer's Late Delivery:

The manufacturer is required to notify Overton's of delivery/shipping discrepancies within five (5) business days of receipt of order. It is extremely important for the manufacturer to ship in accordance with Overton's purchase order requirements. Our Buyers place purchase orders to our manufacturers that have "goods must reach our dock date" and a "cancellation date" so that we meet the demand for products from our customers. It is the responsibility of the manufacturer to notify Overton's if the purchase order delivery/shipping requirements will not be met. When a late delivery results in Overton's backorders, the cost of doing business escalates with the expense of backorder notifications, customer contact, customer call backs, multiple shipments and the immeasurable cost of customer disappointment and or losing a customer's business. If Overton's sell out of a product due to a late delivery from the

Shipping and Routing Guidelines

manufacturer at the time a customer places an order, Overton's will incur an additional expense of \$8.50. It is the policy of Overton's to pass any additional expenses that are incurred from shipping backordered products to the manufacturer. This includes (but is not limited to) paying for expedited shipping of the past due products. Any product that does not arrive by an Overton's purchase order due date and goes on backorder will have a late penalty of \$8.50 per unit on backorders and charged back to the manufacturer. Overton's also reserve the right to cancel any products purchased from a manufacturer due to customer backorders and the inability of a manufacturer to meet the due date of Overton's purchase orders. Exceptions to any backorder penalties would be late deliveries due to a natural disaster, acts of God, trucker's strike, or War that could affect a manufacturer's ability to supply or ship the product.

Liquid and Adhesives Packaging Requirements

Overton's markets a wide variety of liquids to its customers for cleaning, preserving, or operating their watersports equipment. It is our goal to ensure that these products arrive safely and intact at our customer's door. Liquids that arrive damaged in our distribution center or at our customer's home are safety hazards not only to those persons involved but also to other orders being transported along with them. Therefore, Overton's require additional packaging for the liquid products we market in our catalogs. The requirements are as follows:

- Only plastic containers may be used. No glass containers are allowed.
- Individual liquid containers must have an airtight inner seal in addition to a cap or a lid.
- All screw-on caps must be tightened to an application torque as specified in Appendix B.
- All spray bottles must be shipped with the sprayer attached to the side of the bottle. An airtight inner seal should be used in addition to a cap or a lid and the application torque guidelines should be followed.

A chargeback of \$0.25 per liquid container will be assessed for each container not meeting the above specifications. If you have questions concerning our packaging requirements, please contact our Vendor Compliance Manager. Overton's enforces our chargeback policy with any manufacturer that is not in compliance with our liquid packaging requirements.

Returns:

While the vast majority of a Vendor's time and effort is dedicated to the business of making and selling boat products, concern must also be devoted to the effective processing of Returns. In the event that Merchandise Returns to a Vendor are necessary, for reasons such as defects, order or shipping errors, and stock adjustments, it is important that all parties adhere to certain standard practices. Failure to do so results in wasted time and resources, costing both parties money. Barring any specific contractual terms to the contrary between Overton's and the Vendor, the following basics regarding Returns Processing should be adhered to.

Upon receipt of the first request for Return from Overton's/Gander Direct, the Vendor must respond within five (5) business days providing Overton's with an RA number or the reason the Return will not be authorized. If the Vendor fails to respond in time, Overton's will make a second request in writing and noting that it is the second request for Return Authorization. If the Vendor again fails to respond to this second request within two (2) business days, Overton's will be authorized to return the shipment. Upon receipt of returned merchandise, Vendors must make their evaluation and decisions on acceptance or rejection of the Return. If accepted, credit to Overton's must be issued within 30 days of shipment to the Vendor. The credit memo should clearly identify the return and include any applicable RA numbers. If rejected, Overton's must be contacted for instructions on the disposition of the material within 30 days of shipment to the Vendor. Vendor must provide specific reasons as to why credit has been denied for each item. Debit / Credit memos issued by Overton's or Vendor should clearly reference RA number, RTV number, PO number, invoice number, part number and extended cost.

NOTE: It is in the best interest of both parties to resolve all issues (especially the final value) surrounding returns before debits and credits are issued in order to avoid expensive, time-consuming disputes.

Duplicate/Shipment Overages:

Overton's is only responsible for the total merchandise ordered on one Purchase Order. All duplicate inventories on a Purchase Order will be returned to the manufacturer at their expense, plus \$30 per labor hour billed in ½ hour increments, as well as the supplies needed to correct the shipment, and a \$10 administrative fee.

Shipping and Routing Guidelines

Invoicing and Billing Requirements:

It is very important that the manufacturer's invoices be processed expeditiously and paid within the agreed upon terms. Invoices will not be processed for payment until all products covered by such invoice are received, including replacement products for any defective products returned to the manufacturer. To insure prompt payment of your invoices, proper invoicing practices are necessary. Please review the following information carefully. **It is required on all invoices. Do not send original invoices in cartons with shipments or use copies of original invoices as packing slips.**

Any questions regarding invoicing and billing issues should be addressed to: acctspayable@overtons.com or fax to 252-353-7593.

Invoices should be mailed to the following address:

**Overton's Inc.
Accounts Payable Dept.
PO Box 8228
Greenville, NC 27835**

Include only one purchase order per invoice. Multiple purchase orders on an invoice will not be accepted.

Invoices must include the following:

1. Overton's full billing address (see the above)
2. Overton's purchase order number
3. Overton's item number and manufacturer's item number
4. For each Overton's sku (color and size), include quantity, cost per unit, and extended cost (quantity multiplied by cost per unit)
5. Total invoice costs and units
6. Invoice date
7. Actual name of shipper, ship date, and shipping point if different from invoice address
8. Freight carrier's name and number of cartons, as shown on the Bill of Lading
9. Complete Overton's "ship to" address
10. Items listed on invoice in the same sequence as the purchase order

Credit memos must include the following:

1. Overton's RV number must appear on the credit memo.
2. If drop shipped products are returned directly to the vendor by a customer, original PO number and customer name must appear on the credit memo.
3. Vendors who repair/replace items must have all items on RV returned back to Overton's within 45 days of the Overton's ship date. If all items are not able to be repaired/replaced, a credit memo must be issued for the remaining items and mailed the same day as the repaired/replaced items. If product is not returned or a credit memo issued within 45 days, full amount of RV will be deducted from next check and no repayments will be issued.

If the required information as listed above is not on your invoice(s)/credit memo(s), such invoice(s)/credit memo(s) will be returned to you. If required, the cost of returning the invoice to you, along with a \$30.00/hour research fee for each hour spent (billed in hour increments) will be deducted from the final invoice. There are no exceptions to these requirements. Overton's policy is to take appropriate discounts on acceptable invoices in the format described above. Discount/Due dates are calculated from the time merchandise is properly received into our system. Payments and discounts will be considered timely as long as they are postmarked by the discount/due date.

Statements:

Each vendor is required to submit a monthly statement to Overton's summarizing the account status. It is the vendor's responsibility to dispute any payment discrepancy in writing, within 12 months, to the Overton's Accounts Payable department. Any discrepancies not addressed within 12 months will be the responsibility of the vendor.

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Identification:

All invoices, packing lists, packages, shipping notices, instruction manuals, and other written documents regarding an order shall contain the applicable purchase order number. A packing slip shall accompany each and every shipment.

Photo Requirements:

It is Overton's policy not to pay for samples. If a manufacturer sends in a sample, it must be done at no charge. If the manufacturer requires that the sample be returned, they must pay for any shipping charges plus \$30 per labor hour (billed in ½ hour increments), as well as the supplies needed to ship the sample back. Overton's photography department has a deadline that must be met to insure that our catalogs are mailed to our customers on a timely basis. Therefore, the manufacturer must have samples and/or photography into the Buyer's hands by the given deadline.

Missing the deadline will prohibit the manufacturer's products from being displayed in the designated catalog (no exceptions). Please send all samples and photography to "Buyer's name", c/o Overton's/Gander Direct, Inc., 111 Red Banks Rd., Greenville, NC 27835. E-mail address: the buyer's first initial and last name @overtons.com. (Ex: jdoe@overtons.com). The following media standards must be followed. Media that does not meet Overton's criteria may be omitted from our catalog. Please pay close attention to the following:

Images may be sent via one of the following: *CD-ROM, DVD-R. (All disks must be Mac Formatted), e-mail, or Vendor FPT Site.*

- **EPS Format (preferred) High-Res Image size - 8"X8" or 2500 pixels per edge. The absolute minimum pixels should be 1500.**
- If an EPS Format is not available, send a high-resolution (300 dpi) JPEG, TIFF, or EPS digital format with the minimum dimensions being 2 inches x 2 inches.
- A black-and-white or color printout of image with image name **must accompany disk**. If disk contains multiple images, please provide a printout of disk contents with needed images highlighted.
- Disks will be kept on file for further use instead of being returned to the Vendor.
- Certain images can be e-mailed to the Buyer. (E-mail address: the buyer's first initial and last name@overtons.com or @gandermountain.com)
- FTP Site information must be given providing the FPT address, username, and password, as well as instructions for locating and downloading images.
- Images on FPT Sites must be labeled and easily identifiable.

Images may be sent via one of the following continued:

Vector Logo or Original Logo: All logos should be original (Vector) file, Adobe Illustrator (AI), Illustrator EPS, or Illustrator created PDF. If the logo is created in Photoshop originally, the logo should be 300 DPI with a clipped path. The file will need to be an EPS file.

If the manufacturer cannot supply Overton's with photography for their products, Overton's will take the photography for a fee. Contact the Buyer for your product for information and fee breakdown.

Overton's Photography:

All photography is digitally captured using a Nikon D2X Professional high-resolution camera. Images are color corrected and saved at high-resolution 8 bit, 300dpi, RGB, LZW compression, TIFF format.

Domestic Freight Routing Instructions

Transportation costs represent an ever-increasing portion of our overall costs. In our attempt to serve our mutual customers, Overton's are continuing its freight management program for the upcoming buying season. This program is targeted towards managing these costs while maintaining or improving service. This routing letter will serve as a guide for selecting appropriate freight or small package carriers when you prepare shipments destined for our distribution center or directly to our customer. If Overton's are responsible for paying the freight for these shipments, these routing instructions must be followed exactly. If these routing instructions are not followed, your

Shipping and Routing Guidelines

company may be responsible for any additional transportation costs incurred above and beyond what would have been incurred if our routing instructions had been followed.

Shipments to the Overton's Distribution Center

Overton's distribution center is located at 5398 Martin Luther King Jr Hwy, Greenville, North Carolina 27834. If multiple purchase orders are prepared for shipment on the same day to this location, they should be combined and shipped under one bill of lading. Please follow the guidelines below once the total weight of all cartons in the shipment has been determined.

Shipping weight is less than 200 pounds: If the total shipping weight of all cartons is less than 200 pounds and Overton's is responsible for paying the transportation costs, please ship via **Fed Ex Ground collect** and address all packages to the appropriate company. No Fed Ex account number is needed for this service. However, your company must have a Fed Ex Ground account in order to ship under the collect program. Our purchase order number must be referenced in either the "reference 1" or "reference 2" field for each package shipped. There should be no prefix before the purchase order number; only the actual purchase order number it should be referenced. If our purchase order number is not indicated in the "reference 1 or 2" field, our invoice auditing service will refuse to pay transportation charges and have them billed back to your account. No transportation costs should be billed on your invoice to Overton's for the merchandise in the shipment.

Shipments requiring an expedited service are to be shipped via Fed Ex Express, but only when authorized by Overton's or suppliers should contact the Traffic Department at (252)-353-7558 option 1 or logistics@overtons.com for further instructions. Shipments via Fed Ex Express will be billed using the third party billing option, and the appropriate account number to bill shipments to will be provided by the Traffic Department. This billing procedure also applies to drop-shipments direct to the customer when authorized.

Shipping weight is between 200 and 15,000 pounds less than 14 linear ft. or volume is less than 700 cu.ft: If the total shipping weight of all cartons is between 200 and 15,000 pounds and Overton's is responsible for paying the transportation costs please ship with the preferred carrier referenced below (based on where you are shipping from).

Shipping from the following states, use Wilson Trucking 800-354-6927:

Alabama	Georgia	Florida	Mississippi
North Carolina	South Carolina	Virginia	

Shipping from the following states, use Averitt Express 800-283-7488:

Arkansas	Louisiana	Oklahoma	Texas
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Shipping from the following states, use R&L Carriers:

Arizona	California	Colorado	Connecticut	Delaware
Idaho	Maine	Massachusetts	Maryland	Nevada
New Hampshire	New Mexico	New York	Oregon	Pennsylvania
Rhode Island	Utah	Vermont	Washington	Washington DC
West Virginia				

Shipping from the following states, use USF Holland 800-662-8809:

Iowa	Illinois	Indiana	Kentucky	Michigan
Minnesota	Missouri	Ohio	Tennessee	Wisconsin

Shipping from the following states, use UPS Freight 252-527-3151:

Montana	Wyoming
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For all common carrier shipments, please complete a bill of lading for each shipment that includes the following:

- **Third Party Bill to: Gander Direct, c/o Transportation Insight – PO Box 23000 NW Hickory, NC 28603.**
- Overton's or must be indicated in the ship-to field
- Overton's purchase order numbers
- Proper descriptions of goods and freight classes per the National Motor Freight Classification (NMFC) guidelines
- Number of cartons and handling units (skids, pallets, etc.)
- Accurate weight of entire shipment

Shipping weight is between 200 and 15,000 pounds continued:

- Instructions that Overton's must be called for an appointment time before delivery at 252-353-7557.
- All truck shipments must be scheduled for a set delivery appointment at least 24 hours prior to delivery. It is the responsibility of the Manufacturer to ensure that their truck lines comply with a delivery appointment by stating on the bill of lading that an appointment must be made. Failure to schedule an appointment will result in a vendor chargeback, as well as a delay in receiving the shipment. The vendor chargeback will be a fee of \$100.00 plus a \$10.00 administrative fee for a total of \$110.00 per incident. All manufacturer chargeback's will be deducted from our next invoice payment.
- Bill to: Overton's c/o Transportation Insight – 328 1st Ave NW Hickory, NC 28601-6123

The absence of any of the above-required elements on the bill of lading will result in a chargeback being levied against your company. Additionally, if a freight carrier audits a shipment and charges a reweigh/inspection fee due to errors in your classification or weight, your company will be held responsible for these charges. No transportation costs should be billed on your invoice to Overton's for the merchandise in the shipment.

Shipping weight is greater than 15,000 pounds, load length is greater than 14 linear ft. or volume is greater than 700 cu. ft.: If Overton's is responsible for paying the transportation costs, please contact our Traffic Department at logistics@overtons.com or (252) 353-7558, option 1 for your preferred carrier information and to obtain a truckload/volume quote. Once a carrier and a quote have been obtained, please follow the same instructions listed above for shipments being transported by a common carrier. These shipments should be billed freight collect and no transportation costs for the merchandise in the shipment should be billed on your invoice to Overton's.

Shipments drop-shipped directly to Overton's customers

When Overton's has an arrangement with your company, whereby customers' orders are shipped directly to them from your distribution center, our preferred method of transportation is to use Fed Ex Home Delivery for small package shipments or the common carrier of our choice for shipments too large for transport by Fed Ex Home Delivery. **If shipped Fed Ex Home Delivery or Express and we are responsible for paying the freight, please call our drop-ship department at 252-353-7505, option 2, to obtain our Fed Ex account numbers for third-party billing.**

If shipped common carrier, freight charges should be billed to Overton's c/o Transportation Insight, 328 1st Ave NW, Hickory, NC 28601-6123. In no case should these shipments be billed freight collect. No transportation costs for the merchandise in these shipments should be billed on your invoices to Overton's.

Carton size less than 165" in combined length and girth: If the carton you are shipping to the customer is less than 165" in combined length and girth (calculated by measuring around the carton and then down the longest side), please ship the order via Fed Ex Home Delivery or Express as indicated on the purchase order and third-party bill the transportation charges to our account. Please remember to indicate on your shipping system whether the shipping address is a commercial or residential delivery and any other accessorial charges. It is required that you indicate our purchase order number in the "reference 1" or "reference 2" field on your shipping system. There should be no prefix before the purchase order number. Only the actual purchase order number itself should be

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referenced. **If our purchase order number is not indicated in the “reference 1 or 2” fields, our invoice auditing service will refuse to pay the transportation charges and have them billed back to your account.**

Carton size greater than 165” in length and girth or weight greater than 150 lbs.: The common carrier to use for these cartons should be indicated on our purchase order. If it is not, please contact the Traffic Department for selection of a common carrier that serves your region. Please complete a bill of lading with correct weights, freight classifications, and our purchase order number and indicate that the transportation charges are to be third-party billed to Overton’s c/o Transportation Insight, 328 1st Ave NW, Hickory, NC 28601-6123.

If your company is responsible for paying the transportation costs of shipments to Overton’s, we would greatly appreciate any cooperation you could give us in working with the carriers that we have built relationships. These carriers are already making regularly scheduled stops at our distribution center, and your shipments could be processed into our operation in a more seamless and efficient manner. Should you have any questions concerning these instructions or other matters relating to transportation of Overton’s purchase orders, please do not hesitate to contact our Traffic Department by phone or by e-mail as indicated below. We look forward to working with you to reduce our transportation costs as we strive to serve our mutual customers more profitably and expeditiously!

Logistics Department
Overton’s
252-353-7558, option 1
logistics@overtons.com

Steve Pridgen
DC Manager
Overton’s
252-353-7541
spridgen@overtons.com

Delivery:

- All truck shipments must be scheduled for a set delivery appointment at least 24 hours prior to delivery through our receiving department at 252-353-7557. It is the responsibility of the manufacturer to ensure that their truck lines comply with a delivery appointment by stating on the bill of lading that an appointment must be made. Failure to schedule an appointment will result in a vendor chargeback, as well as a delay in receiving the shipment. The vendor chargeback will be a fee of \$100.00 plus a \$10.00 administrative fee for a total of \$110.00 per incident. All manufacturer chargeback’s will be deducted from our next invoice payment.
- All items in a master carton should be the same size and color (one Overton’s item number). If for some reason you cannot meet this requirement, the master carton should be clearly marked on the outside that it contains mixed items. The different items within the master carton **must** be separated by style, color, and/or size. Each different item should be bagged to prevent the items from getting mixed together. Each bag should be marked with the size, color, and Overton’s item number.
- When more than one box is shipped to our distribution center, each box must be marked per the following example: 1 of 4, 2 of 4, 3 of 4, 4 of 4, etc.
- All shipments must be accompanied by a packing slip placed on the lead carton (i.e. carton 1 of 4).
- Packing slip must show the total number of boxes in the shipment.
- Unless otherwise stated on the purchase order, each unit of merchandise must have a bar code label in a conspicuous place on each individually packaged unit showing the Overton’s item number, your Vendor part number, or your Vendor UPC number. Please inquire with your Buyer for the appropriate label placement. Vendors must use one of the following bar code symbologies: UPC-A, Code 128, Code 39 (also referred to as 3 of 9), or interleaved 2 of 5. Examples of these acceptable symbologies are below.

Overton’s can provide these bar code labels with our purchase order for a cost of \$0.05 per label (with a minimum charge of \$15) plus a \$10 administrative fee and shipping charges. We can also provide you with a list of resources for bar code printing software and supplies. Please contact our Vendor Compliance Manager at (252) 353-7558, option 1.

EXAMPLES



Packing and Containers

Overton's will not be obligated to pay for any packing, container, or transportation charges not included in the order. The manufacturer shall be liable for all damage to products caused by improper boxing, crating, or packing. The manufacturer shall be responsible for all loss, injury, or destruction of products that occurs prior to delivery at Overton's destination, and any such loss, injury, or destruction shall not release the manufacturer from any obligation to perform under the order.

Clothing must be bagged individually

All apparel items must be packaged in clear, unprinted bags to prevent the items from getting soiled and damaged. All bags must be sealed in a manner that will prevent them from gaping open. However, the seal should allow access to the contents of the bag for inspection without destroying the usefulness of the bag. All bags are to have a printed child suffocation warning (excluding bags for swimwear).

Merchandise must be packaged to maximize customers' perception of Overton's

Individually boxed products should be free of any "ship-to" and "from" addresses other than those needed to transport the product from the manufacturer's warehouse to Overton's distribution center. These boxes should also not display advertisements for any products other than the manufacturer's products. If concerned about possible breakage, please contact our Vendor Compliance Manager at (252) 353-7558, option 1 and/or the UPS Package Engineering group. Both parties will be capable of assisting in the development of proper packing materials and procedures, as well as providing the necessary steps to validate the solution through industry testing. (Correct font size at "procedures")

Merchandise Packing Requirements

Overton's has recently partnered with the UPS Professional Services Package Engineering group to develop a Vendor Packaging Compliance program (VPC) in an effort to reduce damages and enhance customer satisfaction. As part of this program, the services of the UPS Package Engineering group are extended to all Overton's vendors along with custom discounted pricing. The VPC establishes that it's the manufacturer's responsibility to see that merchandise is packed and shipped in such a way that the product's quality and presentation are retained throughout the entire distribution cycle. To accomplish this level of performance, all packaged products must be capable of meeting the requirements of the International Safe Transit Association (ISTA) test standard 3A, an industry developed and approved standard designed to simulate the handling conditions of small parcel distribution environments. This procedure can be conducted at the UPS Package Design & Test Lab or any ISTA certified laboratory. To utilize the services of the UPS Package Engineering group contact our Vendor Compliance Manager. Please see the Appendix A for general box selection guidelines from UPS.

Shipping and Routing Guidelines

The following are general packaging guidelines to assist in the development of proper packaging. Please note that it is recommended to validate all new packaging through ISTA 3A testing.

- All individually packed products should be packaged in corrugated shipping containers with a minimum strength of 200 pounds per square inch or 32 ECT. This certification must be stamped on the bottom of the carton. Manufacturers may be held liable for goods arriving damaged to our customers that were shipped in cartons without these certification stamps. Manufacturers may also be held responsible for charges to rebox any items arriving at our distribution center that are packaged in containers without these certifications.
- In an effort to reduce damages due to crushing and falling out, it is highly recommended to use corrugated board according to burst test specifications. Furthermore, the corrugated guidelines in Appendix A should be followed with the exception of:
 1. Products where a higher level of corrugated has been established (i.e.: wakeboards, combo skis and slalom skis)
 2. Packaged products that have been validated through ISTA 3A testing which indicated a lower grade of corrugated may be used.
- **Wakeboards, combo skis, and slalom skis: Overton's has recently had packages tested at the UPS packaging laboratory due to the high number of damage claims with these products. Based on the findings of the packaging lab, Overton's will now have two requirements for packaging of these products. First, the shipping carton must be a single wall corrugated container with burst strength of at least 250 pounds per square inch (PSI) or an edge crush test (ECT) of 44 pounds per linear inch. This certification must be stamped and clearly visible on the bottom of the carton.**
- **Each end of the product must be completely covered with a foam material such as polyethylene (PE) sheeting that is at least 0.5" thick. The sheeting should be securely attached to each end of the product using rubber bands or tape. Manufacturers may be held liable for goods arriving damaged to our customers that were shipped in cartons without the proper certification stamps or without the proper protection for the tips or ends of the product. Manufacturers may also be held responsible for charges to rebox any items arriving at our distribution center that are not packaged to meet these new requirements.**
- All common carrier, LTL, and full-load shipments must be boxed, stacked on pallets, and securely shrink-wrapped on standard 48 inch by 40 inch, four-way pallets. **All case labels must face to the outside of the pallet.** Outer edges of boxes should not protrude over the edges of the pallet. Merchandise wider than 40 inches or longer than 48 inches must be shipped on non-standard pallets that will fully support the shipping cartons. The Vendor Compliance Manager may grant exceptions to these rules.
- All bulk and raw material shipments need prior approval by our Vendor Compliance Manager and should be protected in boxes, bags, or shrink-wrap.

Bill of Lading

Bill of Lading supplied to the carrier must include all purchase order numbers and the proper description of goods shipped as per the National Motor Freight Classification (NMFC). Shipping multiple Purchase Orders on the same day from the same location must be combined on one Bill of Lading and broken out individually as per the example below. Failure to have the purchase order number on the Bill of Lading will result in a Vendor chargeback. The chargeback's are based on a fee of \$30 per labor hour (billed in ½ hour increments), as well as the supplies needed to correct the shipment, plus a \$10 administrative fee. All Vendor chargeback's will be deducted from our next invoice payment.

# Of Cartons	PO #	Weight
2	91234567	100 lbs.
4	92345123	200 lbs.
6	94433221	400 lbs.
12	95678901	700 lbs.

Shipping and Routing Guidelines

If a freight carrier audits a shipment and charges a weight/inspection fee due to errors that are found in the freight classification or the declared weight stated on the bill of lading, the manufacturer will be held responsible for these charges and will be charged back. The manufacturer will also be held responsible for any excess transportation charges incurred by Overton's due to freight being improperly classified by manufacturer. These excess charges will be charged back to the manufacturer. If you have any questions concerning the transportation of your orders to our distribution center, please contact our Logistics Department at logistics@overtons.com or (252) 353-7558, option 1.

Carton Labeling:

Please use the Company Name and address as it appears on your Purchase Order. The end of each shipping carton must be marked with a label as follows:

<p>To: Overton's 5398 Martin Luther King Jr Hwy Greenville, NC 27834</p> <p>From: Vendor Name PO #: Carton of Item #: Qty:</p>
--

<p>To: Overton's 601 Staton Rd. Greenville, NC 27834</p> <p>From: Vendor Name PO #: Carton of Item #: Qty:</p>
--

Note: Overton's have two warehouse locations. It is the Manufacturer's responsibility to ship merchandise according to the ship-to address on the purchase order.

Cartons Properly Identified/Packing Slip Requirements

Failure to comply with product and/or carton labeling and packaging instructions will result in a chargeback. Chargeback's are based on a fee of \$30 per labor hour (billed in ½ hour increments), plus supplies needed to correct the shipment, and a \$10 administrative fee. All manufacturer chargeback's will be deducted from our next invoice payment.

International Business

Overton's buys and sells products all over the world. Doing business outside of the United States requires special knowledge to be successful and to avoid problems. If you conduct any international business for Overton's, be sure that you know the applicable rules.

There are many important rules in this area. For example, it is against Company policy for an associate to promise, offer, authorize, or make any payments in money, products, services, or anything of value to any foreign official in exchange for, or in order to induce, favorable business treatment or to affect governmental decisions. Any payments made to agents or distributors on Overton's behalf must always be for a reasonable amount and in consideration for legitimate services that have actually been provided. Violations of the law may result in criminal or civil penalties.

Imports and Exports

Overton's imports products into the United States and is obligated to pay duty on all items imported that have an applicable duty rate. Company policy requires the complete and accurate reporting of the amount and value of all imports and the proper labeling and marking of all imported products. All information furnished to customs officials or to any import agent must be accurate and complete. For example, if you return from a business trip outside of the United States with commercial products, remember to declare the parts or components to United

Shipping and Routing Guidelines

States Customs. If you are responsible for the export of Company products or other materials, please ensure that you are familiar with and abide by the applicable export laws and regulations.

Antitrust and Competition

Free competition in the marketplace benefits all of us as consumers. The antitrust laws exist to protect free market competition. Overton's is successful because we provide our customers with the best value for their money. We strongly support free markets. The antitrust laws protect those who compete fairly, but the laws punish those who do not. Violators are subject to criminal fines, huge damage awards, and possible imprisonment.

It is unlawful for competitors to engage in any of the following activities:

- **Price fixing (agreeing with competitors on price or price terms).**
- **Market allocation (agreeing with competitors on who gets what customers or territories).**
- **Group boycotts (agreeing with competitors to punish a supplier by cutting off business).**

Do not discuss with competitors such things as prices, which will serve what markets, sales or other discounts, or any other matter that affects price.

It is also unlawful for a company to try to "monopolize" or take over a market through unfair practices. Of course, it is lawful to win customers with high quality products. Overton's always competes fairly:

- **We are truthful with our customers.**
- **We do not misrepresent our products.**
- **We do not disparage or make false statements about our competitors or their products.**

Overton's does not use unfair practices against competitors, such as:

- **Stealing competitors' trade secrets.**
- **Cutting off competitors' sources of supply.**
- **Paying bribes to help our business or to hurt a competitor.**

Make sure you know what the antitrust laws require in order to avoid problems and to protect Overton's reputation.

INTERNATIONAL SHIPPING AND ROUTING INSTRUCTIONS

When purchase orders are written with PO comments section stating "Consign to: Overton's 111 Red Banks Road, Greenville, NC 27858", Overton's is the Importer of Record. All forwarder and broker activities are controlled and administered by the International Logistics Department located in Saint Paul, MN, which oversees import activities for both Gander Mountain and Overton's. For inquiries, contact International Logistics at International.logistics@gandermountain.com.

BILL OF LADING AND ROUTING REQUIREMENTS (General Requirements when the purchase order specifies the freight terms as "FREIGHT COLLECT" and Overton's is the Importer of Record.

1. Use only International Logistics Department nominated forwarders and broker

Ocean Shipments

Expeditors International is our elected forwarder and broker, unless otherwise specified.

Please use the following website link to locate the nearest Expeditors office to your location:

<http://www.expeditors.com/graphics/locations/OfficeLocator.asp>

Air Shipments

The International Logistics Department will select an air freight forwarder (AAF), after negotiating the best rate and service for the particular shipment being coordinated at that time. The vendor is not to contact any AAF until directed by International Logistics via email. International Logistics will provide routing instructions with the designated AAF along with shipment details and contacts. This approval process is to be followed for each of the below three freight terms.

Air Shipments Terms

1.) Collect: Vendor/Factory is responsible for paying all origin handling/export fees. Overton's is responsible for paying all air freight charges, U.S Custom's entry fees and the destination handling/delivery charges.

2.) Pre-Paid: When an Overton's buyer instructs a vendor to expedite a shipment at the vendor's expense, for failure to meet the ship window, the vendor is still required to use a forwarder designated by International Logistics. The vendor will be responsible for all origin handling/export fees, air freight charges, and destination handling/delivery charges. Overton's will be responsible for clearing the shipment and the U.S Customs entry fees.

3.) Air/Sea Difference (ASD): When an Overton's buyer instructs a vendor to expedite a shipment and the vendor pays for the air/sea difference, the vendor is required to use International Logistics designated AFF. The vendor/factory will be responsible for paying the air/sea difference to the AFF at time of shipment. The ASD is calculated by taking the air freight rate and subtracting the ocean freight rate that Overton's would have paid. The vendor is responsible for all origin handling/export fees as well as the destination handling/delivery charges. Overton's is responsible for the U.S Custom's entry fees.

Air Shipment Consignee: All air shipments with original freight terms as "Freight Collect" must be consigned to Overton's on the Airway Bill of Lading. This will ensure Overton's ability to receive the freight when the flight arrives into the U.S.

Purchase order numbers must be clearly written on the bill of lading. Do not state, "Purchase orders are listed on attached manifest". Carriers will not transfer purchase order numbers to the freight invoice unless they are on the face of the bill of lading.

The ship date, for all intents and purposes, will be considered the date the freight forwarder receives the cargo. A vendor will be in compliance if the forwarders cargo receipt date (FCR), on the bill of lading (OBL) or airway bill (AWB), falls within the "Ship Not Before" and "Ship No Later" dates. The vendor is required to instruct the freight forwarder, at the time of booking, to include the FCR date on the OBL or AWB.

INTERNATIONAL SHIPPING REQUIREMENTS

All requirements must be adhered to unless otherwise coordinated and approved by International Logistics

A. General Requirements

- 1. If a purchase order has an incorrect UPC, VPN, or price information, communicate the error immediately to your purchasing contact at Gander Mountain, so the data can be corrected before shipping.** EDI vendors must provide the 855 document.
2. When shipping more than one purchase order to one destination (POs within the same ship windows), consolidate the purchase orders into one shipment. Do not mix purchase orders in the same box. You must adhere to every PO's ship window.
3. When a vendor has multiple POs coming from different factories with the same FOB point and ship windows, the vendor is required to create only one bill of lading. The vendor must list the vendor name as the "shipper" on the bill of lading, not an actual factory name.
4. Do not scatter a purchase order over multiple containers. Always attempt to load an entire PO in one container and if it exceeds the capacity of the container, place the remaining amount in the next container, if shipping multiple containers.
5. No substitutions (ship only the UPCs listed on the PO).
6. Quantity shipped must not exceed or be less than 5% value of what is on the PO.
7. Ship dates must be planned and executed so they ship on or between the "Ship Not Before/ Ship No Later" dates. The 'ship date' shall be considered the Forwarder Cargo Receipt (FCR) date.

8. **Equipment Loading** - Gander Mountain's preferred ocean container sizes are 40S, 40HQ or 45, subject to carrier equipment availability. Factory load minimums:
- | | |
|-------------|---------------|
| 45' | 72 cbm |
| 40'HQ | 63 cbm |
| 40'Standard | 56 cbm |
| 20' | 28 cbm |
| LCL | upon approval |

A vendor is expected to maximize the cube utilization within an ocean container. The International Logistics Department reserves the right to bill back excess freight charges to the vendor if multiple LCL shipments from the same vendor are shipped from the same port within the same ship windows and not consolidated within a more economical container. This would also include situations where two 20 foot containers are shipped instead of utilizing one 40 foot container.

If a vendor is fulfilling a single purchase order from multiple locations/factories, shipping from the same port, then the vendor is required to consolidate the shipment from a single location and utilize most cost effective container for the benefit of the buyer. Example: For a single purchase order, do not ship two 20 foot containers when one 40 foot container can be used.

If an order, or a consolidation of orders, constitutes a less than container shipment, the vendor shall deliver the merchandise to the International Logistics Departments nominated freight forwarder's consolidation facility. The freight forwarder is responsible for consolidating multiple vendor orders into full container shipments based on ship dates. The forwarder is responsible for moving freight to the port of exportation.

Less than container load shipments (LCL) must be approved by the International Logistics Department. The shipper (factory/vendor) must deliver the LCL shipment to the consolidation warehouse of the nominated freight forwarder by the cut-off date communicated by the forwarder and ensure the goods are exported by the "Ship No Later" date on the PO.

The Vendor is responsible to pay all origin and CFS handling charges for all LCL shipments 19 CBMs or less.

Vendors are required to book ocean freight shipments through Expeditors' Order Management Booking (OMB) tool 2 weeks prior to the "Ship No Later" date listed on the purchase order.

When booking an ocean shipment through our forwarder Expeditors' Order Management Booking (OMB) tool in which the vendor seals a full container at their warehouse, the vendor is responsible for notifying Expeditors' origin office of **any changes**, including either unit price or quantity count changes, from the date of booking to the time of departure.

The commercial invoice and packing list are required to be sent to our forwarder Expeditors' origin office 72 hours after vessel departure.

REQUIRED DOCUMENTATION

Presentation

A complete set of documents, specified below, must be emailed to the International Logistics Department, at international.logistics@gandermountain, within 7 days of the vessel's departure date. If the set is not complete, a \$150 violation will be issued, even if the missing document/information is provided before the end of the 7 days. If the electronic documents are not emailed timely, Overton's reserves the right to bill the vendor back for all additional fees incurred, as well as a fine for non-compliance.

Make sure, on shipment documents, to list the entire factory name and the full physical address of the factory where the goods are manufactured. Failure to provide correct and consistent information will result in vendor violation fee.

For those vendors who are working through a buying agent a **separate** commission invoice must be sent to the international logistics email account at international.logistics@gandermountain.com. Please note that payment will not be released on the commission until the vendor's E-docs have been received and verified.

Required Documents

1. Commercial Invoice (*All vendors must use the Overton's International Commercial Invoice Template*)
2. Packing List (*All vendors must use the Overton's International Packing List Template*)
 - These templates can be found on Overton's vendor website - <http://www.overtons.com/vendors/>.
3. Textile Declaration or Certificate of Origin (*See below for details.*)
4. Certificate of Origin
5. Certificate of Conformity (*if applicable*)

CERTIFICATE OF ORIGIN:	Every vendor of Overton's is required to include a certificate of origin or textile declaration with each shipment.
COMMERCIAL INVOICE:	See below for details
PACKING LIST:	See below for details
TEXTILE DECLARATION (IF APPLICABLE):	See below for details
EXPRESS BILL OF LADING:	If the supplier is paid by a wire transfer or check, the supplier must instruct the forwarder to cut an EXPRESS BILL OF LADING (see below for details)
CERTIFICATE OF CONFORMITY:	See below for details

Ocean shipments – Unless the shipment is under a Letter of Credit or ETPS (Electronic Transfer Payment System), the supplier must instruct the forwarder to cut an EXPRESS BILL OF LADING (unless waived by International Logistics). An Express Bill of Lading is NOT the same as a Telex release. The Express Bill of Lading will help expedite the release of the goods when the shipment arrives to its destination. The instruction can be part of the Shipper's Letter of Instruction (SLI) or can be on a letter, with the company's letterhead, with specific instructions to cut an express bill of lading for all shipments consigned to Overton's. This is a requirement and if not met, Overton's reserves the right to fine the vendor for non-compliance and bill back all fees to the supplier that are accrued as a result of not cutting an Express bill of lading. This includes, but is not limited to, demurrage, storage, etc. A scanned copy of the Express bill of lading/Telex release (along with other shipping docs) must be emailed to international.logistics@gandermountain.com within 14 days of vessel departure.

For LCL (less than container load) shipments arriving through West coast, a scanned copy of the Express bill of lading /Telex Release (along with other shipping docs) must be emailed to international.logistics@gandermountain.com within 7 days of vessel departure.

Commercial Invoice

Commercial invoices submitted for Customs clearance (sent to the freight forwarder) must be identical in quantity, price, and model/sku to the invoice submitted for payment to Overton's for open account payment terms or to Overton's bank for sight draft (ETPS) and letter of credit payment terms. All documents that accompany your merchandise are important and vital to the processing of cargo through US Customs. However, no single document is as important as the commercial invoice. There must be only ONE commercial invoice per shipment. Lack of information or improper information on the invoice is by far the greatest cause of rejection and delayed release from US Customs. Persons preparing commercial invoices must be familiar with Overton's requirements and ensure all invoices are compliant. Over or understating the actual quantity shipped per VPN without notifying the International Logistics Department will result in a violation.

Shipping and Routing Guidelines

Strictly Enforced Commercial Invoice Requirement (summarized in third bullet below): It is a requirement that vendors must list on the commercial invoice the name and address of the actual manufacturer, also known as the factory location. This name and address must be correctly stated on every commercial invoice for every shipment. If product changes production location, the manufacturer name and address listed on the commercial invoice must also change to reflect the new facility. For FDA and/or FCC regulated product, the manufacturer name and address listed on the FDA and/or FCC forms must reflect the actual facility where the product is being manufactured and **MUST MATCH EXACTLY** the manufacturer name and address on the commercial invoice. ANY and ALL discrepancies will delay the entry process while new documents are provided by the vendor. Questions about this requirement should be addressed immediately by contacting the International Logistics Department.

Additional commercial invoice requirements, should they apply, include the following:

- All additional charges not included in the unit prices must be added as a separate line item and itemized (see examples below).
- Non-contract discounts negotiated prior to a shipment's departure, such as a late shipment discount due to loss sales, must be broken out as a separate line item on the invoice.
- If portion of invoice value has already been received, the invoice must provide the date and amount paid.
- For samples or articles of no commercial value, a fair market value must be stated for customs purposes (see examples below).
- FCC ID number (when applicable).
- FDA accession number (when applicable).
- Payment Method (L/C, Wire, Check). If paid by telegraphic transfer (T/T payment), the invoice must show the wiring instructions.

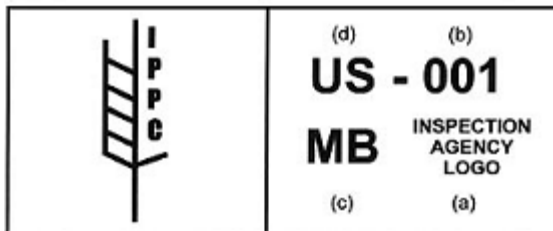
Packing List

The vendor must submit one packing list per invoice. The purpose of the packing list is to identify what merchandise is contained in each individual package. Over or understating the actual quantity shipped per VPN without notifying the International Logistics Department will result in a violation.

Wood Packing Material

When wood packing material is used, the vendor is responsible for making sure the shipment complies with new regulations for Wood Packing Materials outlined in ISPM #5. The regulations require that all wood packing material be treated before export, no matter what the country of origin.

Effective September 16, 2005, all wood packing material (with the exception of manufactured wood material, barrels for wine or whiskey and materials made of very thin pieces of wood (6mm or less)) must be either heat treated or fumigated according to the standards set forth by the IPPC (International Plant Protection Convention). Treatment certificates verifying these processes are no longer required for import; however, the wood packing material must be marked with the IPPC logo, ISO country code, unique treatment facility number and the method of treatment (Image 1.0). The mark must be permanent and clearly visible.



For all shipments/items containing wood the vendor must provide to the International Logistics Department a completed PPQ 505 Form from http://www.aphis.usda.gov/plant_health/lacey_act/downloads/declarationform.pdf prior to shipment departure and included in the e-docs.

Textile Declarations

The vendor is responsible for providing a single or multiple country declaration with each shipment. The vendor must submit this declaration to the freight forwarder with the other shipping documents. This declaration validates the country of origin for all textiles products.

Shipping and Routing Guidelines

Single Country Declaration

The single country textile declaration needs to be filled out when a textile article is wholly the growth, product or manufacture of a single country or was assembled in a single country of fabricated components which are in whole the product of a single country.

The textile declaration needs to mirror the textile items listed on the commercial invoice. This means that if the commercial invoice has two items containing textile for example, both items need to be listed on the textile declaration, along with their respective marks/numbers, quantities, descriptions, material content, origin countries, and export dates.

The quantities (number of pieces) for each textile item must be listed on the textile declaration. The party who produces the textile declaration (usually the manufacturer) will list this quantity when the declaration is generated.

The material content and percentage also needs to be listed on the declaration, for example, 100% polyester or 80% polyester/20% cotton.

The commercial invoice number and PO number must be listed on the single country declaration as well. This makes it easier for Customs to match the textile declaration back up to its respective commercial invoice.

Multiple Country Declaration

A multiple country declaration needs to be filled out when the articles are subjected to assembling, manufacturing or processing operations or incorporate materials originating in multiple countries.

The description of manufacturing and/or processing operations should be detailed. For example: cutting, sewing/assembly, trimming, ironing, finishing, label placement, packing. In each process or operation, a country needs to correspond with the process or operation. The date of export must also be listed for each process or operation.

The "Country of Production" is the country in which **the textile or apparel is wholly obtained or assembled**. If the product is created as a result of the processing in two or more countries, the "Country of Production" is the country in which **the most important assembly or most important manufacturing process** occurs. If you are unclear what is considered the **most important assembly/process**, please contact International Logistics Import Compliance Analyst. If the item is a **knit to shape** garment, the "Country of Production" is the country in which **major parts are knitted or crocheted** directly to the shape used in the finished product.

The "Quantity" field is the number of pieces for each item and is a required field and must be listed on the declaration.

The percentage of the material also needs to be listed (for example: 100% polyester, 80% polyester / 20% cotton, etc.).

The "Date of Exportation" field on the multiple country declaration must be listed on the declaration. Customs needs this in order to substantiate the country of origin of the textile item.

The commercial invoice number and PO number must be listed on the multiple country declaration.

Country of Origin

Every article of foreign origin entering the United States must be legibly marked with the English name of the country of origin. The purpose of the country of origin marking is to inform the ultimate purchaser of the country in which the imported article was made. The vendor is responsible to ensure the following:

- All products will be properly marked with country of origin, either on the goods themselves or on their immediate container in compliance with US Customs regulations.
- The commercial invoice will correctly reflect the country of origin for each product.

Shipping and Routing Guidelines

- If the SKU has multiple components, the country of origin must be listed for each component. For example, if a product contains a cardboard insert and a pair of underwear manufactured in different countries, the product needs to be marked: “Underwear made in China; Cardboard insert made in Taiwan.”
- The marking should be located in a conspicuous place where it can be seen with a casual handling of the article. The marking must be visible without disassembling the item or removing or changing the position of any parts.

Preparation of Documents (to be included on Bill of lading, Commercial Invoice and Packing List

For pay methods of **Open Account**, **Documents Against Payments (ETPS)**, and **Wire** the consignee, ship to, and Notify party should be as follows:

Consigned To:

Overton’s
111 Red Banks Road
Greenville, NC 27858

Bangladesh is the exception to the above rule, due to their country’s own regulations.

Ship To:

The **ship to party** for Overton’s shipments can be one of the two addresses listed as follows and on the purchase order (use the addresses listed below unless otherwise specified on the PO. See Section II for a list of designated locations and addresses):

Overton’s
601 Stanton Rd.
Greenville, NC 27834 U.S.A.
252-353-7556

OR

Overton’s
5398 Martin Luther King Jr. Highway
Greenville, NC 27834 U.S.A.

Notify Party (use the party listed below unless otherwise specified on the PO. See Section II for a list of nominated forwarders/brokers):

The address for the notify party to be listed on all appropriate documents is:
Expeditors International of Washington, Inc.

120 Southcenter Court Suite 500
Morrisville, NC 27560
919-460-3101
wesley.cobb@expeditors.com

For pay methods of **Letter of Credit** the consignee, ship to, and Notify party should be as follows:

Consigned to:

To the order of Wells Fargo Bank, N.A.,
7/F City Plaza, Four
12 Taikoo Wan Road
Taikoo Shing, Hong Kong

Ship To:

The **ship to party** for Overton’s shipments can be one of the two addresses listed as follows and on the purchase order (use the addresses listed below unless otherwise specified on the PO. See Section II for a list of designated locations and addresses):

Shipping and Routing Guidelines

Overton's
 601 Stanton Rd.
 Greenville, NC 27834-8616 U.S.A
 252-353-7556

OR

Overton's
 5398 Martin Luther King Jr. Highway
 Greenville, NC 27834

Notify Party (use the party listed below unless otherwise specified on the PO. See Section II for a list of nominated forwarders/brokers):

The address for the notify party to be listed on all appropriate documents is:

Expeditors International of Washington, Inc.

120 Southcenter Court Suite 500

Morrisville, NC 27560

919-460-3101

wesley.cobb@expeditors.com

Should you have any questions in regards to the consignee, ship to, and notify party please send an email to international.logistics@gandermountain.com.

THE INTERNATIONAL LOGISTICS DEPARTMENT **REQUIRES** SHIPPERS USE EXPEDITORS TO CLEAR THE GOODS FOR EXPORT

DEPARTMENT CONTACTS

Department	Phone	Email
International Logistics Greg Mikkelson, Dir. Global Transportation	651-325-4443	greg.mikkelson@gandermountain.com
Marilyn Goeden, Import Operations Coordinator	651-325-4476	marilyn.goeden@gandermountain.com
Jennifer Kaegebein, Import Export Compliance Analyst	651-325-4405	jennifer.kaegebein@gandermountain.com
Jolita Jakucionyte, Import Specialist	651-325-4442	jolita.jakucionyte@gandermountain.com
<u>Accounts Payable</u> LC's, ETPS, Wire	651-325-4476	marilyn.goeden@gandermountain.com
Open Account	651-325-4506	gilah.messerer@gandermountain.com
Receiving Manager	252-353-7556	swood@ganderdirect.com
Customs Brokerage	651-905-8630	andrew.lendway@expeditors.com

All correspondence regarding bookings, **sample** shipments over **\$2000** and payments should be emailed to the import office group email address: international.logistics@gandermountain.com.

Please go to <http://www.gandermountain.com/vendors> and view the EDI Operations Guidelines for EDI related issues.

PRODUCT INFORMATION

A. Product Specifications

A product specification sheet must be sent to the International Logistics Department, international.logistics@gandermountain.com, for all products IMMEDIATELY after the program has been awarded to the vendor and each time the product is altered in any way. If there are no changes done, a new specification sheet must be sent to Overton's every five years effective immediately. The increments of five years began January 1, 2005. The next form is due for all vendors by January 1, 2015 (regardless of when the last one was sent). The below information must be sent with the specification sheet when applicable.

Some products are regulated by US government agencies or are subject to safety standards. The International Logistics Department will ensure that the vendor has provided proper documentation. The Environmental Protection Agency (EPA), Federal Communications Commission (FCC), Consumer Product Safety Commission (CPSC) and Food and Drug Administration (FDA) certify the safety of regulated goods according to government standards. If applicable, the International Logistics Department must receive Trademark letters, safety, EPA, FDA, test reports for items subject to any rule, standard or ban under the CPSC and FCC documentation before the first shipment. The following provides Overton's standards for documentation at the SKU level with regard to new SKU specifications and forms for EPA, FDA, CPSC and FCC. For questions, contact the International Logistics Department. The vendor is responsible for providing accurate and up to date forms and product information. If forms and/or product information become outdated, the vendor must submit updated forms to the International Logistics Department. **This includes if the manufacturer's name and/or address changes.** Name and address of manufacturing site must be the actual location where the product was manufactured. This same name and address must also be placed on the commercial invoice to allow for verification.

1. Specific SKU Information

Vendor must provide a detailed product description, specification sheet and an understanding of how the product is used to the International Logistics Department. Overton's may require a sample of the product in order to properly classify it. The International Logistics Department will classify the product according to the rules of the Harmonized Tariff Schedule of the US.

2. FDA Regulated Product

For all FDA regulated product, vendors must provide to the International Logistics Department a completed Form FDA 2877 and Department of Health and Human Services (DHHS) letter *for each new product, before the first shipment.*

If the manufacturing site or accession number changes, a new Form FDA 2877 and DHHS letter will be required. The International Logistics Department can provide a blank Form FDA 2877 if requested. The following fields need to be filled out on Form FDA 2877:

Name and Address of Manufacturing Site; Country of Origin

Product Description

Model Number(s) & Brand Name(s)

When filling out box B – Comply with the Performance Standards, be sure to include the accession number and manufacturer of record.

The FDA is a US government regulatory agency. Examples of products regulated by the FDA are those that emit radiation; are intended to improve one's health; are eaten or drank; are used to eat or drink off of; or are used to cook with. Vendor is responsible for ensuring that the products comply with all applicable laws, rules and regulations.

3. FCC Regulated Product

For all FCC regulated product, vendors must provide to the International Logistics Department Form FCC 740 or a Declaration of Conformity *for each new product, before the first shipment.* The International Logistics Department can provide a blank Form FCC 740 if requested. The following fields need to be filled out on Form FCC 740:

Device Model/Type Name or #

Trade Name

FCC ID

Description of Equipment

Shipping and Routing Guidelines

Manufacturer Name and Address

Part II – select one of the 8 declarations

The FCC is a US government regulatory agency. Examples of products regulated by the FCC are those that emit radiation or a frequency or have a digital device. In simplistic terms, if the product is used for communication and/or is electronic and/or emits radiation, then the FCC probably regulates the product. Vendor is responsible for ensuring that the products comply with all applicable laws, rules and regulations.

4. EPA Regulated Product

For all EPA regulated product, vendors must provide to the International Logistics Department Form EPA 3520-21 *before the first shipment*. The International Logistics Department can provide a blank Form EPA 3520-21 if requested

5. CPSA Regulated Product

The Consumer Product Safety Act ('CPSA'), at 14(a) as amended by 102(a) of the Consumer Product Safety Improvement Act of 2008 ("CPSIA") Public Law 110-314, requires that, for products manufactured on or after November 12, 2008, manufacturers and private labelers of the products certify that the products comply with all applicable CPSA consumer product safety rules and similar rules, bans, standards and regulations under any other laws administered by the Commission by issuing a certificate that accompanies the product and can be furnished to certain parties. The certificate of conformity or GCC must specify each such rule, ban, standard, or regulation with which the product must comply. The certificate must be based on a test of each product, or upon a reasonable testing program. All vendors with items subject to any rule, standard or ban must send test reports and General Certificates of Conformity (GCC) to international.logistics@gandermountain once the program is awarded. The International Logistics Department will review these documents and reissue/recertify a GCC that must be included with the e-docs sent to international.logistics@gandermountain.com with-in 7 days of vessel departure. Starting February 2013, Customs will be auditing shipments for GCC's; all fines incurred by Overton's will be billed to the vendor for non-compliance. The vendor is responsible for making sure they have GCC's for all applicable items where Overton's is the importer of record.

SHIPMENT OF PRODUCT NOT FOR RESALE IN THE UNITED STATES

A. Promotional items and Samples

Promotional items

If you are coordinating a shipment of promotional items, the instructions set forth in this routing guide **may not be the desired way to handle the shipment**. The vendor is responsible to request the following specific information from their contact person at Overton's and clarify the following:

- Ship to address
- Packaging requirements
- Payment method

All other instructions in this guide that pertain to documentation and transportation will apply.

Sample Product

The above instructions for 'Promotional items' will also apply for shipments of all sample products as well. The following statement should also be added to the commercial invoice of a shipment with samples: *This shipment is sample product and the value declared is for Customs purposes only*. The value declared shall be the fair market value.

The Import Office must be involved when promotional items and sample product exceeds \$2000 in value and for goods subject to quota, Anti-dumping or Countervailing duties.

Shipping and Routing Guidelines

INSTRUCTIONS FOR METHODS OF PAYMENT

A. DOCS AGAINST PAYMENT (FORMALLY ETPS)INSTRUCTIONS

Contact International Logistics to obtain instructions via international.logistics@gandermountain.com.

B. WIRE TRANSFER INSTRUCTIONS

Email wiring instructions or questions to international.logistics@gandermountain.com. The wiring instructions template can be found online at <http://www.overtons.com/vendors/>.

C. LETTER OF CREDIT INSTRUCTIONS

Email Marilyn Goeden, Import Operations Coordinator (marilyn.goeden@gandermountain.com) to obtain the letter of credit request form at least 60 days prior to the earliest ship date.

VENDOR VIOLATIONS/ NON-COMPLIANCE CHARGES

The International Logistics Department requires Resource Partners to comply with the guidelines in this document. The following fines will be assessed for non-compliance, in order to compensate Overton’s and the International Logistics Department for the labor and supplies needed to correct the errors. Violations will be assessed a flat fee and or excess charges. Pictures may be available as a reference but are not guaranteed. The following violations will be assessed for non-compliance:

1. First violation: NO FINE UNLESS OVERTON’S INCURS ADDITIONAL CHARGES – The International Logistics Department will collaborate with the vendor to resolve issues.
2. Additional Violations: will result in non-compliance fines and/or excess charges based on charge method below.

VENDOR VIOLATIONS/ NON-COMPLIANCE CHARGES
NON-COMPLIANCE CHARGES FOR VIOLATIONS

FOB PROGRAMS:

Required Documentation

Code	Violation Description	Charge Method
RD-1	Presentation – E-Documents not emailed within required time range (REQUIRED DOCUMENTATION)	Flat \$150 + any storage incurred
RD-1.1	Presentation – Telex, Express/ Original Bill of lading not sent within required time range (REQUIRED DOCUMENTATION)	Flat \$150 + any storage incurred
RD-2	Certificate of origin not sent with documents	Flat \$150.00
RD-3	Commercial invoice does not include all required information / not generated as instructed by International Logistics Department	Flat \$150.00
RD-4	Packing list does not include all required information	Flat \$150.00
RD-5	Statement of wood packing material not included or compliance wood packing material not used in shipment	Cost to pack in compliant material + percent + any storage incurred
RD-6	Textile declaration not included or not complete	Flat \$150.00
RD-7	Declaration as set forth in the International Resource Guide not stated	Flat \$150.00
RD-8	Express bill of lading not cut as instructed in the International Resource Guide (INSTRUCTIONS FOR METHODS OF PAYMENT)	Flat \$150.00
RD-9	Certificate of Conformity not provided	Flat \$150.00
RD-10	Product specifications and forms not provided	storage incurred + penalties incurred as result of non-compliance
RD-11	Bill Of Lading does not include all required information as instructed by the International Logistics Department (BILL OF LADING AND ROUTING REQUIREMENTS)	Flat \$150.00
RD-12	Missing/Incorrect information on shipping documents	Flat \$150.00 +excess charges
RD-13	Incorrect Factory Name/Manufacturer or incorrect/inconsistent address	Flat \$150.00

Customs Compliance

CC-1	Packing list/Manifest quantity does not match what was physically received	\$150.00+excess charges
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CC-2	Cartons/label does not contain the country of origin marking	\$150.00
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Overton’s Vendor Compliance

- 1) All manufacturers are expected to comply with all procedures contained herein. Non-Compliance with any of these procedures will result in a chargeback for the expenses incurred by Overton’s for operational costs due to problems in processing your merchandise through our distribution center.
- 2) Additional costs related to poor quality or late deliveries, including but not limited to customer damage claims, replacement merchandise and product recalls, may be applied.
- 3) It is our intent to issue a charge or debit against the manufacturer’s account for all defective merchandise, violations and penalties (including freight) involved with reworking, repairing, or returning defective goods to the manufacturer from our customers. The amount of the claim will be clearly communicated to the manufacturer in writing **and will be deducted from our next payment.**
- 4) Overton’s reserves the right to add, modify, or increase chargeback amounts for repeated and gross violations.
- 5) All manufacturers are expected to comply with all procedures contained herein. Non-Compliance with any of these procedures will result in a chargeback for the expenses incurred by Overton’s for operational costs due to problems in processing your merchandise through our distribution center.
- 6) Additional costs related to poor quality or late deliveries, including but not limited to customer damage claims, replacement merchandise and product recalls, may be applied.
- 7) It is our intent to issue a charge or debit against the manufacturer’s account for all defective merchandise, violations and penalties (including freight) involved with reworking, repairing, or returning defective goods to the manufacturer from our customers. The amount of the claim will be clearly communicated to the manufacturer in writing **and will be deducted from our next payment.**
- 8) Overton’s reserves the right to add, modify, or increase chargeback amounts for repeated and gross violations.

Product Chargeback’s

Failure to comply with product labeling and packing instructions will result in a chargeback. The chargeback’s are based on a fee of \$30 per labor hour plus supplies needed to correct the shipment and a \$10 administration fee. All Vendor chargeback’s will be deducted from our next invoice payment.

Compliance Issues	Chargeback
Merchandise must be individually bar coded using one of the four following symbologies: Code 39, UPC-A, Code 128, or Interleaved 2 of 5.	\$30/hr + supplies + \$10 administration fee
Merchandise must be packed to minimize damage.	\$30/hr + supplies + \$10 administration fee
Merchandise must be packed to conform to UPS and common carrier shipping practices, Overton’s bagging requirements, and Overton’s packing requirements.	\$30/hr + supplies + \$10 administration fee
Substitutions without a buyer’s approval	\$50/shipment + \$30/hr + \$10 administration fee
Duplicate shipments/over shipments	\$50/shipment + \$30/hr + \$10 administration fee
Clothing items not individually bagged	\$30/hr + supplies + \$10 administration fee
Liquid containers not properly packaged	\$0.25 per container + \$10 administration fee

Shipping Chargeback's

Compliance Issues	Chargeback
All cartons must have required proper identification with a packing slip attached to the lead carton (i.e. #1 of 4).	\$30/hr + \$10 administration fee (minimum 1/2 hour charge)
Multiple item numbers shipped in one master carton without being clearly labeled as such on the outside of the carton	\$30/hr + \$10 administration fee (minimum 1/2 hour charge)
Lack of packing slip or incomplete information on packing slip	\$30/hr + \$10 administration fee (minimum 1/2 hour charge).
Packaging of individually boxed products not appropriate for presentation to customer	\$30/hr + supplies + \$10 administration fee (minimum 1/2 hour charge)
Failure to schedule appointment for delivery	\$100 plus \$10 administration fee
Failure to use standard 40" x 48" four-way pallets if merchandise fits this pallet size	\$30/hr + \$10 administration fee (minimum 1/2 hour charge)
Merchandise hanging over edges of pallets causing damage to shipping containers or stacked higher than 50"(pallet included)	\$30/hr + \$10 administration fee (minimum 1/2 hour charge)
Failure to include Purchase Order number on bill of lading	\$15 + \$10 administration fee
Failure to follow Overton's freight routing guide	Excessive freight charges incurred by Overton's + \$10 administration fee
Failure to state weight and freight classifications correctly on bills of lading	Inspection charges billed by carriers to Overton's + \$10 administration fee

Overton's Key Vendor Contacts

Billing: Overton's Corporate Center
 111 Red Banks Rd., Greenville, NC 27858
Shipping: Overton's Distribution Center
 5398 Martin Luther King Jr Hwy Greenville, NC 27834

Overton's Main Telephone	(252) 355-7600
Distribution Center Main Telephone	(252) 353-7522
Accounting Department Fax	(252) 353-7593
Purchasing Department Fax	(252) 353-7591
Returns Department Fax	(252) 353-7595
Warranty Department Fax	(252) 353-7588
Receiving Department Fax	(252) 353-7596
Vendor Compliance Manager	(252) 353-7558, option 1
Drop Ship Department Fax	(252)353-7586
Traffic Department	(252) 353-7558, option 1
	E-mail: mwhichard@Overtons.com

Corporate

General Manager

John Daigle

Accounting

Corporate Controller

Stella Matthews

Assistant Controller

Darsen Sowers

Accounts Payable

Kristy Ball

Shipping and Routing Guidelines

Accounting Supervisor	Sara Peterson
Distribution	
Director of Operations	Mark Green
DC Manager	Steve Pridgen
Traffic Manager/Vendor Compliance Manager	Open
Inbound/Inventory Control Manager	Susan Wood
Warranty Lead	Laramie Eichelberger
Outbound>Returns/Warranty Manager	Ted Davis
Quality Assurance Supervisor	Kathy Hardy
Purchasing	
Director of Purchasing	Vernon High
Product Manager Marine	Matt Wright
Marine Buyer	Ryan Davis
Marine Buyer	Casey Parker
Marine Buyer	Glenn Credle
Product Manager Watersports	Boogie Norris
Watersports Buyer	Ike Williams
Inventory Manager	April Woolard
Re - Buyer	Freida Stubbs
Drop Ships	Jessica Jenkins
Commercial Accounts	
Commercial Account Executive	Doug Truslow
Call Center	
Customer Contact Manager	Caroline Riley
Training and QA Supervisor	Sandra Thompson
Merchandising	
Director of Merchandising - Ovt/CM	Michael Worsley
Strategic Merchandiser	Christina Jones
Art Director - Overton's	Colleen McCormick
Marketing	
Marketing Director	
Internet Marketing	
Catalog Marketing	Brandy Grady
Strategic Accounts	Dan Owens
Human Resources	
Assistant	Michele Bullock
Information Services	
Applications Manager	Janni Wood
Systems Development Manager	Tim Manns
VendorNet	Brandee McLawhorn (Gander Dropship Dept)
	Jessica Jenkins (Overtons Dropship Dept)
	Miranda Raines (IS Department)
Overton's Showrooms	
Director of Retail	Kevin Paramore
Buyer	Krystal Clegg
Greenville Store Manager	Drew Ward (252) 355-5783
Raleigh Store Manager	Josh Brunette (919) 850-9754

**APPENDIX A
BOX SELECTION GUIDELINES:**

Follow these steps when using the Small Parcel Box Strength Guidelines chart to select the most appropriate strength box for your shipments through a small parcel distribution environment.

1. Weigh items to be shipped and compare to column A below.
2. Measure and add together the length, width, and height of the box and compare to column B below.
3. Select the appropriate row in the chart below where the criteria in both column A and B are met.
4. Use column C to identify the recommended Bursting Test strength box or use column D to identify the recommended Edge Crush Test strength box.

Note: A double-wall container should be used for an item(s) weighing more than 80 pounds.

Small Parcel Box Strength Guidelines

A Maximum Weight of Box & Contents (lbs.)	B Size Limit of Box L + W + H (in.)	C Bursting Test (lbs. per sq. in.)	D Edge Crush Test (lbs. per in. width)
SINGLE-WALL CORRUGATED CONTAINERS			
30	75	200	32
40	75	200	40
50	85	250	44
65	95	275	55
80	105	350	NA
DOUBLE-WALL CORRUGATED CONTAINERS			
60	85	200	48
80	95	275	51
100	105	350	61
120	110	400	71
140	115	500	82
150	120	600	NA

The above box strengths are only guidelines to help assure the containment and protection of products transported through single-package distribution environments. They are not to be considered packaging specifications, and all packaged products should be tested in accordance with industry-recognized performance tests to ensure the most appropriate level of product protection is achieved.

APPENDIX B
Application Torque Recommendations

Since screw-on closures are dependent upon the torque to provide a strong positive seal, the amount of torque used to apply closures is critical. The following chart contains recommended hand application torque values for different size screw-on closures.

Closure Size (mm)	Hand Application Torque
	Inches - Pounds
18	7 – 10
20	8 – 12
22	9 – 14
24	10 – 18
28	12 – 21
30	13 – 23
33	15 – 25

Closure Size (mm)	Hand Application Torque
	Inches - Pounds
38	17 – 26
43	17 – 27
48	19 – 30
53	21 – 36
58	23 – 40
63	25 – 43
66	26 – 45

APPENDIX C

INTERNATIONAL GLOSSARY OF TERMS

Actual Landed Cost- The true cost of imported goods that include all related charges to the product including shipping.

Ad Valorem Duty- Duty on imported merchandise based on a percentage of the shipment value.

Air Waybill- A shipping document used by the airlines for airfreight, which is a non-negotiable document and is a contract for carriage.

Anti-Dumping Duties- Duties assessed on imported merchandise of a class of kind that is sold at a price less than fair market value.

Assist- An item that an importer provides directly or indirectly, free of charge, or at a reduced cost.

Beneficiary- The individual or company in whose favor a letter of credit is opened; the party that will get paid from the Letter of Credit.

Bill of Lading (B/L)- A document that establishes the terms of a contract between a shipper and a transportation company that moves freight between specified ports for a specified charge. It serves as a document of title, a contract of carriage, and a receipt of goods.

Binding Ruling- A binding tariff classification issued by US Customs to determine classification and duty rate of goods.

Bonded Warehouse - A warehouse authorized by Customs authorities for storage of goods on which payment of duties is deferred until the goods are removed.

Buyer - The person or company purchasing goods.

Buying Agent - A person or company that represents an importer. A Buying Agent assists, at the direction of the importer, in product sourcing, vendor selection, price negotiation, quality control, and order placement activities.

Cancellation Date- Date appearing on the order indicating the latest date an order can be delivered to forwarder.

Certificate of Origin - A document attesting to the country of origin of goods.

Child-Labor Certificate- Certificate signed by manufacturer attesting that no child labor was used in any part of the manufacturing process.

Commercial Invoice- Represents a complete record of the transaction between exporter and importer with regard to the goods sold. Also reports the content of the shipment and serves as the basis for all other documents about the shipment.

Consignee- The person or firm named in a freight contract to whom goods have been shipped or turned over for care.

Consolidation- The combination of multiple shipments into one container.

Consolidator- A person or firm performing a consolidation service for others; receives the goods overseas and coordinates shipping and document collection for the consignee.

Container - A single rigid, sealed, reusable metal "box" in which merchandise is shipped by vessel, truck or rail.

Container Freight Station (CFS) - A facility used by ocean carriers to load/unload cargo to and from containers.

Countervailing Duties (CVD) - Special duties imposed on importers to offset the benefits of subsidies given to producers or exporters in the exporting country when it is proven that the subsidy, which may cause the price of such merchandise to be artificially low, would cause injury to domestic industry.

Country of Export - The country that the goods are shipped from.

Country of Origin - The country where merchandise was grown or manufactured, not necessarily the country of export.

Customs and Border Protection (CPB) – Major responsibility of this US governmental agency, is to administer the Tariff Act of 1930. Primary duties include the assessment and collection of all duties, taxes and fees on imported merchandise and the enforcement of customs and related laws and treaties. Part of the Department of Homeland Security.

Customs Broker- An individual or firm licensed to enter and clear goods through Customs for another individual or firm.

Deconsolidator- The domestic counterpart to the consolidator; the deconsolidator unloads the container, allocates and reloads the freight for shipment to various points.

Devanning- The removal of freight; i.e., unloading a container.

Dimensional Weight - Density or weight per cubic foot of a shipment of cargo.

Dock Receipt- A receipt issued by a warehouse supervisor or port officer certifying that the shipping company has received goods.

Shipping and Routing Guidelines

Duty - A tax levied by the importing country on goods. The duty varies with each category of merchandise and is generally a percentage of first cost. (See also Ad Valorem Duty, Specific Duty, and Compound Duty.)

EDI (Electronic Data Interchange) – A way to speed the flow of data by exchanging documents electronically and eliminating the need for manual processes.

Estimated Landed Cost (ELC)- The estimated cost of goods plus freight, duty, insurance, and other charges related to importation of the goods.

ETA- Estimated or expected time of arrival.

Exporter - An individual or company that transports goods or merchandise from one country to another in the course of trade.

FCL- Full container load.

Final Destination- Consignee's facility of where shipment ends its movement as noted on the Bill of Lading.

First Cost (FC)- The actual price paid to factory/vendor for the goods.

Food and Drug Administration (FDA) - a United States Government agency that enforces the Federal Food Drug and Cosmetic Act and is involved in monitoring of radiation emitted from products such as CD players and CD-ROMs.

Foreign Trade Zone (FTZ)- Special commercial and industrial areas where goods maybe brought in without being subject to payment of Customs duties. Goods are then stored, sold, sorted or otherwise manipulated before being entered into the commerce of the country.

Freight Forwarder- A person engaged in the business of assembling, collection, consolidating, shipping and distributing less-than truckload or less-than container load freight.

Generalized System of Preferences (GSP)- A program providing for free rates of duty for merchandise from beneficiary developing independent countries and territories to encourage economic growth. Textiles and footwear are excluded from GSP.

Gross Weight – the entire weight of shipment, including goods, packing, and cartons.

Harmonized Tariff Schedule (HTS or HTSUS)- An organized listing of goods and their duty rates which is used by U.S. Customs as the basis for classifying imported products and establishing the duty rate to be charged.

House Airway Bill- A bill of lading issued by freight forwarder for consolidated airfreight shipments.

Importer - The individual, firm or legal entity that brings articles of trade from a foreign source into a domestic market in the course of trade.

In Bond- A procedure under which goods are transported or warehoused under Customs supervision until they are formally entered into the customs territory of the United States.

Incoterms- A set of International Rules for the interpretation of the most commonly used trade terms in foreign trade. There are 13 in total; following are the common ones:

EXW (Ex Works) - The seller fulfills his obligation to deliver when the goods are placed at the disposal of the buyer at the premises of the seller or another named place where the goods will begin their transportation.

FAS (Free Alongside Ship) - The seller has fulfilled his obligation when the goods have been placed alongside the ship at the port of loading designated by the buyer. The buyer is responsible for any loss or damage from that point on.

FCA (Free Carrier) - The seller fulfills their obligation when the goods are delivered to the carrier or forwarder contracted by the buyer, at a named place.

FCA Loaded- The seller has accepted the responsibility for loading the buyer's carrier at the seller's premises.

FCA Unloaded- The seller has accepted the responsibility for arranging for inland carriage to the "named place" designated by the buyer, and delivery occurs while the goods are still on the inland carrier at the dock of the designated place.

FOB (Free or Freight on Board) - The seller has delivered the goods on board an ocean vessel at the port of loading designated by the buyer and paid all costs for inland transport and lifting the goods onto the vessel. Buyer takes ownership for the shipment once on board the vessel.

DDP (Delivered Duty Paid) - The seller fulfills his obligation to deliver when the goods have been made available at the named place in the country of importation.

Integrated Carriers - Operating combined fleets, which may include air, sea, rail or truck.

Intellectual Property Rights - The ownership of the right to possess or otherwise use or dispose of products created by human ingenuity.

Issuing Bank – is the bank responsible for issuing the Letter of Credit, (L/C), on behalf of the importer. This bank assumes the obligation to pay the beneficiary (or another bank) if the documents presented are in accordance with the terms of the L/C.

Laden- Loaded aboard a vessel.

Lead Time- The amount of time needed by a vendor to produce an item after the order has been placed.

Shipping and Routing Guidelines

Less than Container Load (LCL)- Less than container load; a shipment of cargo that does not fill a container and is merged with cargo from more than one consignee or from more than one shipper.

Letter of Credit (L/C) – A document issued by a bank stating its commitment to pay someone a stated amount of money on behalf of buyer as long as the seller ships according to the terms of the L/C.

Liquidation- The ultimate determination by Customs of the duties due for a given entry.

Master Carton- The shipping carton containing a specified number of units or inner-packs.

Net Weight - Weight of goods including packing but not shipping carton.

Notify Party- Name and address of a party in the transport document to be notified by the shipping company of the arrival of a shipment.

NVOCC (Non-Vessel Operating Common Carrier) - A cargo consolidator of small shipments in ocean trade.

Open Account- Credit extended that is not supported by a note or Letter of Credit.

Packing List- A document prepared by the shipper listing the kinds and quantities of merchandise in a particular shipment.

Pallet - A platform with or without sides, on which a number of packages or pieces may be loaded to facilitate handling.

Port - A harbor or haven where ships may anchor and discharge or receive cargo.

Port of Discharge - The ocean port where the cargo is unloaded from the vessel.

Port of Entry - Port where foreign goods are admitted into the receiving country.

Prison (Forced) Labor Certificate - Certificate signed by the manufacturer attesting that no forced, convict, or indentured labor under penal sanctions were used in any part of the production of the product.

Pro Forma Invoice - An invoice provided by a supplier to a sale or shipment of merchandise in lieu of a commercial invoice when a commercial invoice is not available at the time of merchandise entry.

Protest - Petition by importer to protest actions taken by Customs usually concerning change in tariff classification, seizure, or penalty.

Royalty- Compensation for the use of a person's property based on an agreed percentage of the income arising from its use.

Selling Agent- Controlled by, related to, or working for the manufacturer or vendor. The importer may be able to purchase from a particular manufacturer without using the services of their Selling Agent.

Seller- The seller of the goods or merchandise. Is not always the manufacturer of the goods.

Seizure- Action taken by Customs to hold merchandise under their custody when they detect an irregularity with documentation or merchandise being entered.

Specific Duty- Duty imposed based on weight or number of pieces, without regard to value.

Transaction Value- The price actually paid or payable for merchandise.

Vendor- The party from whom goods are purchased. The vendor is not always the actual manufacturer of the goods.