Drop Ship Vendor Guidelines (USA)

Drop Ship Vendor Routing Guide and Drop Ship Vendor Set-up

Version 7.1
Effective 11/1/17
I. Overview and Definitions

Third Party Vendors shipping directly to customers and doing business with Staples, Inc., and/or its affiliates (e.g., Quill, Staples Advantage, etc.) (hereinafter collectively “Staples”) across the USA must follow this Routing Guide. Routing Guide compliance violations can be viewed at http://partners.staples.com. Notwithstanding any requirements in the applicable Vendor agreement that amendments be in writing, Vendor’s acceptance of any purchase order issued by Staples to be shipped by Vendor directly to customers shall constitute Vendor’s agreement to comply with this Drop-Ship Vendor Routing Guide.

Vendors are expected to follow all details of this drop ship guide. Staples will make every effort to work with Vendors for reasonable accommodations and exceptions that are deemed appropriate. A Vendor’s failure to meet any standards in this guideline document will result in a Customer Service fee of $3 per order and a fee of $5 per unit per standard per day of non-compliance that will be applied to each unit that does not meet standards unless otherwise noted in this document or approved by Staples.

If more than 10% of all units shipped are found to be defective, of poor quality, damaged, substituted, or the wrong product then Staples will assess a fee of $15 per unit for all units in the purchase order sent to our customer.

Any exceptions to these guidelines or fees can only be made by the Staples drop ship compliance team and must be provided in writing. Inquiries should be directed to StaplesGlobaleCommerceSupplyChain@Staples.com

Vendor shall comply with Staples’ Mail Order Rule Vendor Compliance Procedure (see Section VI.) as may be updated by Staples and communicated to Vendor.

Initial Receipt Fill Rate: This is defined as the number of orders shipped divided by the number of orders received.

Order: This includes entirety of 1 purchase order submitted by Staples to a Vendor, with a unique purchase order number, for direct shipment to a customer, regardless of how many cartons will physically ship (i.e. 1 P.O. that has 3 separate cartons is one order.)

Supplier Order Processing Time (SOPT): This is also called the Vendor Order to Ship Cycle (also referred to as Quill Vendor Lead Time). SOPT is defined as the number of Business Days (any day other than a Saturday or Sunday or a U.S. national holiday) required to fulfill a Staples order to the point it has shipped. For example, if Vendor receives order at 11am on Friday, and order ships by Monday end of day, this is an SOPT of 1 day.

Total Lead Time (Expected Delivery Date): This is defined as the number of days to complete an order, from Purchase Order (P.O.) creation to receipt by the customer. The lead time includes the order day, the SOPT, the ship day, transit days, weekends, and the receiving day.

Transit Days: This is the number of days in transit from Vendor to customer; it will depend on the mode, origin and distance to the destination.

Unit: This is lowest unit of measure of item presented for sale online to the public. (i.e. 1 ink cartridge, 1 tape dispenser, 1 paper shredder, etc.)
Vendor Collect Freight: “Collect with Freight Load” (for Drop-Ship Product) shall mean Staples selects and pays carrier directly – Staples determines freight percentage to be added to SKU cost and then deducts according to Collect Freight Addendum.

Vendor Prepaid Freight: Under this term with Staples, the Vendor selects and pays carrier directly – standard delivery included in product cost.

II. Order Fulfillment

A. Inventory

Having product in stock for our customers is critical to driving an improved customer experience. In order to ensure we’re able to be in stock for our customers, we require Vendors to:

- Update inventory 5 days per week via Staples Exchange (M-F); This update must match the agreed upon assortment approved by Staples and or Quill. Failure to submit a daily inventory feed without prior written exemption from the Global eCommerce Supply Chain team may result in a $50 per day compliance fee.
- Identify discontinued items in inventory feeds on a weekly basis and communicate to Staples and Quill.
- Discontinued items must be communicated with Staples using DropShipSKUmaintenance@staples.com as well as your merchant and or product specialist.
- Provide updates to inventory levels of all items and communicate to Staples and Quill immediately if any discrepancies or issues require escalation.
- Staples Exchange Vendors should communicate with ExchangeSupport@staples.com immediately if any inventory uploading issues occur or if discrepancies in inventory are identified.
- Identify out of stock items and then communicate item availability dates in Staples Exchange.
- Failure to provide accurate inventory on a weekly basis may result in an additional charge-back of up to $175 per occurrence.

B. Fill (failure) Rates

Initial Receipt Fill Rate must be maintained at 100%.

- No partial shipments on individual lines are allowed for Staples.com.
- All Vendors servicing Quill.com must provide notification of and receive pre-approval from Staples for any partial shipments in accordance with any Quill Vendor Agreement terms and conditions.
- Vendor will not cancel any orders or lines without Staples pre-approval.
- Vendor shall pay $3 per order administrative fee plus $5 per unit fee for cancellations caused by the vendor.
- Vendors must provide cancellation notification to:
  - Staples.com - VendorReturns@staples.com
  - Staples Advantage - NSPAdminGroup@Staples.com
  - Quill.com - DSSexpeditor@Quill.com
C. **Required Ship Information – Both Prepaid & Collect**

- **SOPT** for all orders is 1 business day from receiving the Purchase Order unless prior arrangements are made with the Global eCommerce Supply Chain team.
  - SOPT begins when a Vendor accepts an order and ends when the order is shipped and no longer in Vendor possession. The day the order is accepted is not counted towards the SOPT as there is one processing day permitted.
  - Additionally, if the order is accepted after 5pm EST the order acceptance is rolled over to the following business day. (Example: Vendor receives order at 10am EST Monday; Staples’ expectation is that the order ships by Tuesday end of day local time).
• Systemic PO acknowledgement is required by all Vendors within 1 business day.
  o Vendors servicing Quill should continue to use agreed upon format for PO acknowledgement
• Vendors doing business with Staples must upload package tracking numbers, shipping carrier, and shipper of record into the Staples Exchange Platform. Quill Vendors utilizing Staples Exchange should upload this information directly onto the platform. Quill EDI Vendors not on the Staples Exchange platform should send this information via 856 EDI. Non-EDI Quill Vendors not utilizing the Staples Exchange platform should fill out and send the Excel template found at http://partners.staples.com.
• Product must show “movement” within 1 business day of PO ship (i.e. carrier pickup/scan of cartons). Orders must be closed/shipped systemically on the day they physically ship.
• Non-compliance of any of the requirements in Section C will result in a fee of $5 per order per day + a $3 administration fee

D. **Product Set-up and Configuration**
• Vendors must provide accurate product and packaging dimensions. This includes weight, length, width and height and related data of all SKUs and boxes used to ship items. Staples will use this information to determine the size and dimensions of the box that must be used to ship a product via the Staples order management system. Failure to submit accurate SKU dimensions will result in a fee of $50 per SKU.
• Vendors doing business with Staples must work with individual business units to complete product set-up on designated ordering platforms. E.G.: Staples.com, Staplesadvantage.com, and Quill.com
• Vendors must supply Staples with a sample product when the Vendor cannot meet our image standards. Samples submitted to Staples become Staples property upon delivery. Staples will charge a fee of $125 to produce an image when image standards are not met.
• Vendors must supply Staples with warehouse location(s) (city and state) where product will be shipped from.
• Vendors must supply Staples with a correct UPC number for all SKUs.

E. **Product Content and Images:**

The Vendor will provide the following information within one week of such request by Staples upon signing the VPA.

- **Buy Side Content (SKU creation and back end fulfillment)**
- **Sell Side Content (Content for display on Staples websites)** that meets style guides based on product category. A detailed style guide relevant to the product category will be provided at time of request
- Images that meet image guidelines for display on Staples websites
- Visit http://partners.staples.com for documents and details

• The Vendor will be responsible for ensuring accuracy and quality of information provided to Staples and will perform an internal quality audit before sending the information to Staples. The Vendor will be responsible for honoring any customer commitments and for making the customer whole for any financial loss due to inaccuracy of information provided. Inaccurate SKU attributes submitted to Staples will result in $50 per SKU compliance fee.

• If the Vendor is unable to provide the buy side information per required standards and within expected timeframes, Staples reserves the right not to add the products to Staples websites.

• If Vendor is unable to provide the sell side information that meets the required standards within expected timelines, Staples will engage an offshore provider to provide the sell side content. The Vendor will pay Staples $10 per SKU for the cost of content sourced from the offshore provider. If the Vendor does not agree to this, the Vendor must notify Staples within 1 day of Staples request for approval. Any failure to respond within such timeframe will be deemed approval by Vendor. In the event the Vendor does not agree, Staples reserves the right not to add the products to Staples websites.

F. **Packaging Guidelines:**

• Shipping container/carton packaging must meet International Safe Transit Association (ISTA) or equivalent carrier standards. For more information about these standards, please contact the ISTA at 517-333-3437 or access their web site at www.ista.org.
• Cartons must be taped, glued and/or stapled.
• The use of “packaging peanuts”, popcorn and newspaper as packing material is prohibited.
• Breakpack cartons shall not have nor contain materials with Vendor logos, phone numbers or any promotional inserts.
• Cartons that are found to contain unapproved marketing material (i.e. flyers, inserts, catalogs, etc.) will result in $150 fee per occurrence.
• Breakpack cartons must NOT have any labels or information affixed to the box that in any way specifically identifies the contents of what’s inside it except where required by law. Exceptions are made only for cartons that are safe to ship in OEM packaging that may contain this information already printed on the carton (i.e. furniture).
• Failure to follow packaging guidelines will result in $5 per carton fee assessed to the Vendor.
• If violations are discovered during a periodic Test Order Audit, Staples will assume that all cartons shipped in the past 30 days contained the same non-compliant defect and assess fees retroactively unless prior arrangements have been made with and approved by Staples.
• All cartons containing hazardous materials or DOT regulated materials must be marked accordingly and contain all applicable documents, labels, etc. Any DOT non-compliance issues resulting from any carton shipping direct from Vendor is the sole responsibility of the Vendor.
• For plastic bags used for protective packaging and/or shipping purposes (and not part of product packaging itself), Vendor shall label such bags with suffocation warnings as may be required by law and in accordance with the specifications of applicable laws.
• Any single SKU shipped across multiple packages must ship together and be clearly labeled as piece “x of y”.
• For large shipments requiring the use of pallets, please refer to the Stocked Routing Guide for pallet guidelines, this can be found on Staples Partners

G. General Shipping Information – Small Packages and Parcel
It is a Staples requirement that all price quotes are to be both prepaid and collect. Staples shall determine whether program freight terms shall be prepaid or collect. Specific shipping rules apply to either Collect Vendors or Prepaid Vendors or to both.

Staples will not pay any "package intercept" for Prepaid or Collect Vendors. All unauthorized charges will be billed back to the Vendor. Moreover, package intercepts must be approved by Staples.

All Vendors are required to print ALL address information on shipping labels. This includes (but is not limited to) Customer Name, Company Name, Delivery Address (including up to 3 lines of address information), and any other information transmitted to the Vendor.

Rules for Prepaid Vendors

Prepaid Vendors must use a shipping service with a delivery speed that is at least equal to Parcel Ground and includes sufficient insurance to cover the full value of the order being shipped (this does not apply to collect shipments as Staples is self-insured). A trackable shipping service must be used with a minimum of pick-up and delivery scans. USPS is not an approved shipping service without prior approval from Staples.
Threshold Rules for Collect Vendors

Please refer to your Collect Freight agreement packet. If you have any questions regarding Collect Freight please contact Staples Transportation at inbound.routing@staples.com

*Parcel 3rd party account number should be used as provided by Staples Transportation Department.

**Staples preferred LTL carrier will be determined based on ship from location

***Contact Staples Transportation Department (Inbound.Routing@Staples.com) for carrier assignment and collect freight agreement forms.

In the event that the purchase order contains multiple items where one item requires parcel and the other LTL, please ship both items LTL.

Coordinating Daily Shipments for Collect and Prepaid Vendors

It is the responsibility of the Vendor’s shipping department to communicate and coordinate all daily carrier pickups and deliveries to the Staples customer location.

Charge Backs for Collect Vendors

For parcel packages, Vendor is expected to ship 3rd party billing with the authorized Staples preferred carrier. If an unauthorized carrier or service is used, Vendor is responsible for 100% of incremental freight expense incurred and up to $5 per carton non-compliance fee.

Vendor is expected to ship standard parcel ground service unless otherwise specified on the purchase order. Any additional services not specified on the purchase orders will be charged back in full.

Vendor is expected to ship from the agreed upon origin point as specified in the collect freight agreement. If a purchase order ships from an invalid origin point and Staples incurs incremental freight costs, or incremental delivery time to our customers, Vendor will be charged for 100% of the freight cost plus $5 per order fee.

Point of Shipment & Label Preparation

For Collect Vendors using parcel 3rd party billing:

- At point of shipment, Package Reference Fields #1 and Package Reference Fields #2, must be completed in the Parcel Packing Level Detail (PLD) and on the printed parcel shipping label in order to transmit this electronic data required by Staples. The data entered into Package Reference Fields #1 & #2 will appear on the printed parcel shipping label.
- Package Reference Field # 1 of the shipping label MUST contain the Staples/Quill Purchase Order number
- Package Reference field # 2 of the shipping label should contain the Staples/Quill customer’s Purchase Order number.
• Vendors not in compliance with this requirement will be billed back for the entire cost of the shipment, as Staples won’t be able to confirm that the shipment was in fact a Staples order.
• Staples is self-insured for cargo loss. It is never acceptable to indicate a declared value and thereby cause Staples to incur additional insurance charges without direct written authorization of the “Ordered By” as indicated on the PO, or by the Staples Transportation Department.
• All shipping labels should be generated to bill 3rd Party to the account number and address provided by Staples.
• Vendor should use their own parcel account number to reflect the “Shipper of record”.
• Actual carton weight (not dimensional weight) should be used when generating carrier label.
• For any questions regarding Collect Freight – please refer to the Collect Freight Packet

III. Electronic Data Interchange (EDI) /Staples Exchange

The use of Electronic Data Interchange (EDI) direct integration Staples Exchange is an option for all Staples dropship integrated Vendors who will receive orders. Quill and Staples Advantage orders may be submitted to Vendors via fax, email, or Staples Exchange. Other systemic forms of order management are accepted only if approved by Staples in writing. The greater efficiency of a paperless transaction process results in reduced costs for both Staples and our Vendors. Staples currently supports release 4010 of the ANSI X12 Standards for all transaction sets. Supported transaction sets include the transactions listed below, depending on the designated integration platform. The transactions denoted with * are required.

A. Supported EDI transaction sets (all business units on the Staples Exchange Platform):
- 850 Purchase Order *
- 856 Advance Shipment Notification *
- 846 Inventory Advice
- 855 Order Acknowledgement
- 860 PO Change Request – Buyer Initiated
- 865 PO Change Acknowledgement/Request – Seller Initiated

For more details on EDI specifications please refer to the Vendor Integration Playbook

B. Invoicing Requirements

- Vendors on Staples Exchange:
  - Staples Exchange uses an auto-invoice process. When a vendor submits the ASN Staples will automatically generate an invoice on behalf of the Vendor using the PO cost on the original Purchase Order Request and the actual quantity shipped on the ASN.
  - There is no need to send a separate invoice to Staples Exchange.
  - If a vendor chooses to designate their own invoice number for reconciliation purposes then you can do so in the ASN, otherwise Staples will automatically generate a Staples designated invoice number.
- Vendors using email/fax or direct EDI:
C. **Serial Number Capture**
   - Refer to the EDI Guide available at [http://partners.staples.com](http://partners.staples.com) for specific information
   - Non-compliance will result in a $50 fee

D. **Universal Product Code (UPC)**
   - In 2018, Staples Inc. will require vendors to provide UPC codes for all products available for purchase regardless of the Staples channel. Please refer to the Staples Exchange Playbook for details regarding order processing requirements for dropship orders and UPC delivery.

IV. **Shipment Documentation**

A. **Packing Slip Requirements**
   - A Packing Slip must be included in every shipment. The Packing Slip must have prior approval by Staples before put in use as defined by the On Boarding process. Packing slips vary by business unit and the correct pack slip must be used for whichever business unit you are fulfilling an order for. [Appendix A: Packing Slip sample](#)
   - The packing slip must be 8x11 sized and specify:
     - Specific Staples Inc. business unit logo ie. Staple.com, Quill.com, Staples Business Advantage Staples Inc. specific business unit customer service number
     - Ship to: address in the format sent by Staples
     - Bill to: customer address in the format sent by Staples
     - Order Information Required
       - Customer Order Number
       - Customer PO Number (may not be sent on every order)
       - **PO Release Number** (may not be sent on every order)
       - Staples SKU Number
       - Vendor Model Number
       - Description of item
       - Total number of units on this shipment
     - Staples returns policy Information
B. **Shipping Documentation & Label Requirements**

All cartons regardless of mode of transport are required to have accurate trackable carton and carrier information submitted to Staples. Failure to submit accurate information will result in a $5 per carton compliance violation fee.

1. **Parcel Shipping:**
   Parcel shipping label will contain the following information:
   
   - Mandatory parcel required information
   - Staples Customer Purchase Order number in Package Reference field #1 and #2 as detailed in Section II Part G of this document. Move to that section

2. **Bills of Lading (BOL) LTL and TL Shipping:**
   The accuracy, clarity and consistency of the Vendor Bill of Lading are extremely important to Staples. We expect all of our Vendors to use the VICS Bill of Lading as provided by our Carriers. The VICS BOL must correspond to the packing slips and be created in the **traditional portrait layout**. An example of the VICS Bill of Lading is attached. For more information on utilizing the VICS Bill of Lading, please go to [www.vics.org](http://www.vics.org).

   Vendor will be charged non-compliance fees and administrative fees due to data discrepancies (i.e. freight class, weight, destination address) on the VICS Bill of Lading. Accuracy is the responsibility of the Vendor. Additionally, Vendor will refund all excess freight charges as a result of inaccurate data on the VICS Bill of Lading. Detail of BOL: see appendix B.
V. Hazardous Materials and Food Product Shipping Instructions

A. Staples Requirements for Vendors shipping Hazardous Materials

It is Staples’ requirement that all hazardous materials shipments must be prepared in accordance with the appropriate federal Hazardous Materials Regulations (HMR). These regulations can be found in Title 49 of the Code of Federal Regulations (49 CFR). They include but are not limited to:

- Properly packaging the materials
- Marking the package with the proper shipping name, technical name (if required)
- Including the appropriate hazard labels or markings
- Preparing compliant shipping declarations

These requirements are not intended as legal advice or to replace the federal regulations, but rather, to be used in conjunction with them. The U.S. Department of Transportation (DOT) governs all hazardous materials transportation in the United States. It has jurisdiction over all interstate, intrastate, and foreign transportation of hazardous materials on aircraft, railcars, vessels, and highway carriers and shippers in the United States. 49 CFR can be purchased from the US Government Printing Office, www.gpo.gov/. Information about 49 CFR may be obtained from the DOT, www.dot.gov/. Any non-compliance, fees or DOT non-compliance issues are the responsibility of the Vendor.

- All hazmat / DOT regulated products must be registered at https://secure.supplierwercs.com

B. Requirements for Vendors shipping Food and Perishable Items

Definitions:

- Life on Issue (LOI) – the number of days of shelf life remaining when a product is shipped (to a Staples customer)

LOI must be at least 30 days for food, food related items and beverages purchased from Staples.

Food, food related items, and beverages must be handled, packaged and shipped in a manner which ensures compliance with applicable federal and state laws and regulations, including the Food, Drug, and Cosmetic Act (21 CFR) and appropriate amendments, the Food Safety Modernization Act, 2010, the Food Code, 2009 Edition (U.S. Food and Drug Administration (FDA) / U.S. Public Health Service (USPHS)), and the U.S. Bioterrorism Act of 2002.

Food vendors must not mix items with multiple expiration dates in the same case/carton. Shipping cartons must provide enough protection to ensure product arrives in sellable condition. Further, fragile, perishable, and/or temperature sensitive product must be labeled and shipped accordingly.
VI. Problem Resolution & Mail Order Rule Compliance

This Procedure covers what steps you need to take to ensure that Staples will be able to meet its obligations under the Federal Trade Commission’s Mail or Telephone Order Merchandise Trade Regulation Rule (the “Rule”). The Rule requires that: (i) a retailer which makes a shipment or delivery promise to a customer must have a reasonable basis for that claim; (ii) if the retailer learns, after taking the customer’s order, that it cannot ship or deliver the order when promised, it must notify the customer of the delay, and give the customer an opportunity to cancel the order or consent to such delay; and (iii) if the retailer is unable to obtain the customer’s consent, the retailer must promptly refund the customer’s money for the order.

- All Vendors must provide details regarding missed delivery dates by 10am (EST).
- PO number, original shipment/delivery date, new shipment/delivery date must be reported in writing to the following locations:
  - Staples.com orders: VendorReturns@staples.com
  - Staples Advantage orders: NSPAdminGroup@Staples.com
  - Quill.com orders: DSE Expeditor@quill.com

VII. Consumer Privacy

- All Vendors of Staples, Inc. and its affiliated companies are expected to comply with Federal Trade Commission (FTC) requirements regarding the protection of consumer information (see FTC Consumer Privacy Bill of Rights for details).
- It is strictly against Staples’ policy for any Vendor to use consumer data for any purpose other than generating shipment documentation for necessary transport of goods to our customers.
- Direct customer contact for any reason (order delays, defects, questions, etc.) is strictly prohibited.
- The sale of consumer information for any purpose is strictly prohibited.
- The use of consumer information for the purpose of direct or indirect marketing is strictly prohibited. This includes using Staples’ customer email addresses for marketing purposes.
- Violation of this Consumer Privacy standard as outlined will result in a $5,000 fee.

VIII. Merchandise Returns

Returns policy:

- Adhere to Staples returns policies and procedures, including freight cost, as specified in the Vendor Program Agreement.
- Vendor pays cost of return freight as outlined in Vendor Program Agreement
- Contact Vendor Customer Service for questions on your return adjustments
- “For Call for R A Vendors” / “Quill Email Vendors”
  - Resolve all RAs with a single contact
  - Send RA immediately upon contact from Staples or Quill CS
  - Staples / Quill will provide an RA request within 48 business hours
IX. Staples Partners

Routing Guide compliance issues can be viewed at [http://partners.staples.com](http://partners.staples.com). Reference the table below for Rule Number detail. First time Partners users can reference the Staples Partners Drop Ship Vendor Compliance User Guide on the Partners site. Reference the instructions below on how to navigate to this document. Please contact StaplesGlobaleCommerceSupplyChain@Staples.com for any violation related issues. For Accounts Payable questions pertaining to return adjustments please contact Vendor Customer Service VendorCustomerServ@Staples.com

How to Navigate to User Guides on Staples Partners:
1. Log onto Staples Partners.
2. Click on the “Documents” tab.
3. In the “Guides” section, click on the document “Vendor Compliance User Guide”
4. The document will open in a new window.

<table>
<thead>
<tr>
<th>Rule</th>
<th>Violation Type</th>
<th>Violation Issue</th>
<th>Chargeback Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>806</td>
<td>Tracking Number Submission Compliance</td>
<td>Error in submitting tracking number or wrong carrier code</td>
<td>$3 fee + $5 per order</td>
</tr>
<tr>
<td>810</td>
<td>Collect Freight: Over Billing</td>
<td>Added insurance, signature required or any additional services without Staples approval for collect freight</td>
<td>$5 + cost of additional service</td>
</tr>
<tr>
<td>824</td>
<td>Order Cancel Request From Vendor *only for vendor related cancels</td>
<td>Cancelled order without Staples or Quill pre-approval</td>
<td>$3 per order</td>
</tr>
<tr>
<td>824</td>
<td>Unit Cancel Request From Vendor *only for vendor related cancels</td>
<td>Cancelled order without Staples or Quill pre-approval</td>
<td>$5 per order</td>
</tr>
<tr>
<td>824</td>
<td>FTC Compliance Issue</td>
<td>Use of consumer data for anything other than shipment documentation</td>
<td>$5000</td>
</tr>
<tr>
<td>824</td>
<td>Orders Closed but Not Invoiced Greater than 1 week</td>
<td>Closed an order but did not invoice Staples or Quill in a timely fashion</td>
<td>TBD</td>
</tr>
<tr>
<td>826</td>
<td>SOPT Violation</td>
<td>Order shipped in violation of SOPT agreement</td>
<td>$3 fee + $5 per order/day</td>
</tr>
<tr>
<td>826</td>
<td>PO’s Not Acknowledged Within 1 Business Day</td>
<td>PO was not acknowledged within 1 business day</td>
<td>$3 fee + $5 per order/day</td>
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<tr>
<td>830</td>
<td>Out of Stock Consecutive Rule violation</td>
<td>Sku assortment greater than 5% out of stock for 3 consecutive weeks</td>
<td>$175 per week starting with the 3rd week</td>
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<tr>
<td>830</td>
<td>Daily Inventory Update Compliance</td>
<td>Failed to update inventory daily</td>
<td>$50 per day</td>
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<tr>
<td>831</td>
<td>Collect Freight: Label Format Incorrect</td>
<td>Did not include Staples or Quill PO in reference field 1 or 2 *collect vendors only</td>
<td>Cost of shipment</td>
</tr>
<tr>
<td>832</td>
<td>Serial number capture</td>
<td>Invalid serial number</td>
<td>$50</td>
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<tr>
<td>851</td>
<td>Collect Freight: Over Billing</td>
<td>Shipped at a speed/service above ground</td>
<td>$5 plus additional cost above ground service</td>
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<tr>
<td>890</td>
<td>Improper SKU Definitions Submitted for New Items</td>
<td>Incorrect picture, description or attribute on website</td>
<td>$5 per SKU</td>
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*Violation chargeback subject to change
X. Contact Information

<table>
<thead>
<tr>
<th>Issue Type</th>
<th>Team Owners</th>
<th>Email Contact</th>
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<tbody>
<tr>
<td>Staples Exchange Related Issue</td>
<td>Staples Exchange Team</td>
<td><a href="mailto:ExchangeSupport@staples.com">ExchangeSupport@staples.com</a></td>
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<tr>
<td>Drop Ship Item Maintenance</td>
<td>Drop Ship SKU Maintenance Team</td>
<td><a href="mailto:DropShipSKUmaintenance@staples.com">DropShipSKUmaintenance@staples.com</a></td>
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<td>Mail Order Rule Compliance &amp; Cancellation Info</td>
<td>Staples.com</td>
<td><a href="mailto:VendorReturns@staples.com">VendorReturns@staples.com</a></td>
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<td>Collect LTL or Collect TL Carrier Assignment</td>
<td>Staples Transportation Department</td>
<td><a href="mailto:Inbound.Routing@Staples.com">Inbound.Routing@Staples.com</a></td>
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<tr>
<td>Compliance Program Questions &amp; Related Issues</td>
<td>Staples Global eCommerce Team</td>
<td><a href="mailto:StaplesGlobaleCommerceSupplyChain@Staples.com">StaplesGlobaleCommerceSupplyChain@Staples.com</a></td>
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<tr>
<td>Image or Content Issues</td>
<td>Staples Product Content Team</td>
<td><a href="mailto:PyramidSupport@staples.com">PyramidSupport@staples.com</a></td>
</tr>
</tbody>
</table>

To retrieve back up for all other deductions, please identify the invoice number and refer to the list below to determine the type of deduction and department responsible.

<table>
<thead>
<tr>
<th>Code</th>
<th>Type of Deduction</th>
<th>Department/Person</th>
<th>Details / How to Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>VP, VA,</td>
<td>Vendor Compliance</td>
<td>Vendor Compliance</td>
<td>Back up provided on Partners</td>
</tr>
<tr>
<td>DS</td>
<td>Contract Marketing</td>
<td>Quill Rebates</td>
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</tr>
<tr>
<td>QARP</td>
<td>Quill Vendor Rebates</td>
<td>Quill Contract Accounting</td>
<td><a href="mailto:QAR_Promotion@quill.com">QAR_Promotion@quill.com</a></td>
</tr>
<tr>
<td>ARI, Pmm, ARP, ARF</td>
<td>Staples Program Rebates or Promo</td>
<td>Staples Contract Accounting</td>
<td><a href="mailto:QAR_Promotion@quill.com">QAR_Promotion@quill.com</a></td>
</tr>
<tr>
<td>QAR</td>
<td>Post-Audit</td>
<td>Audit Recovery John Eastep</td>
<td><a href="mailto:John.eastep@staples.com">John.eastep@staples.com</a></td>
</tr>
<tr>
<td>CCA, FCCA, QCCA</td>
<td>Post-Audit</td>
<td>Brian Travers</td>
<td><a href="mailto:brian.travers@staples.com">brian.travers@staples.com</a></td>
</tr>
<tr>
<td>Q DAMAGES</td>
<td>Damage Allowance</td>
<td>Inventory Control</td>
<td><a href="mailto:InventoryControlCorporate@Staples.com">InventoryControlCorporate@Staples.com</a></td>
</tr>
<tr>
<td>SHRINKQ_____</td>
<td>Quotly Consignment Shrinkage</td>
<td>Merchandise Accounting</td>
<td>Backup provided on Partners</td>
</tr>
<tr>
<td>COS________</td>
<td>Qanet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GSM</td>
<td>Vendor Show Allowance</td>
<td>Elaine Sargent</td>
<td><a href="mailto:Elaine.sargent@staples.com">Elaine.sargent@staples.com</a></td>
</tr>
<tr>
<td>NI________</td>
<td>New Item Fee</td>
<td></td>
<td><a href="mailto:itemfee@staples.com">itemfee@staples.com</a></td>
</tr>
<tr>
<td>PR</td>
<td>Price Protection</td>
<td>Staples Contract</td>
<td>Contract/accounting2@staples.com</td>
</tr>
<tr>
<td>-Month,-B&amp;L</td>
<td>Staples Program Rebates or Promo</td>
<td>Staples Contract Accounting</td>
<td>StaplesContract/accounting</td>
</tr>
<tr>
<td>First 3 letters of vendor name</td>
<td>Parago</td>
<td>Shawn Thompson</td>
<td><a href="mailto:Shawn.thompson@parago.com">Shawn.thompson@parago.com</a></td>
</tr>
<tr>
<td>CL________</td>
<td>Daniel McElreney</td>
<td></td>
<td><a href="mailto:Daniel.McElreney@staples.com">Daniel.McElreney@staples.com</a></td>
</tr>
<tr>
<td>QL</td>
<td>Jean Olekszy</td>
<td></td>
<td><a href="mailto:Jean.olekszy@staples.com">Jean.olekszy@staples.com</a></td>
</tr>
<tr>
<td>Past due invoices</td>
<td>Invoices</td>
<td>Vendor Relations</td>
<td><a href="mailto:vendorcustomerservice@staples.com">vendorcustomerservice@staples.com</a></td>
</tr>
<tr>
<td>Partners</td>
<td>Website</td>
<td></td>
<td>Supply.chain @staples.com</td>
</tr>
<tr>
<td>Commerce Hub</td>
<td>Logan McAllister</td>
<td>Desiree Watson</td>
<td><a href="mailto:Logan.mcAllister@staples.com">Logan.mcAllister@staples.com</a></td>
</tr>
<tr>
<td>BID, DIV</td>
<td></td>
<td><a href="mailto:merchbids@staples.com">merchbids@staples.com</a></td>
<td></td>
</tr>
</tbody>
</table>
XI. **Appendix A: Packing Slip samples**

- Refer to section IV for specific information to include on each business unit’s packing slips.

Staples.com Packing Slip:

![Staples.com Packing Slip Image]

- **Order:** 0123456789
- **Purchase Order:** 0123456789
- **Order Date:** 01/07/2014
- **Shipped Via:** USPS
- **Delivery Address:** Mark Lore, 2525 Worcester Road, Framingham, MA 01702
- **Billing Address:** Mark Lore, 2525 Worcester Road, Framingham, MA 01702

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Qty. Ordered</th>
<th>Qty. Shipped</th>
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<tbody>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / 12756 CP</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / SPLS 2435</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>HAMMERMILL COPY PLUS COPY PAPER, 8 1/2&quot; x 11&quot; CASE / 24567 CP</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / 12756 CP</td>
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<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / SP 45683</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / SP 45683</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / 12756 CP</td>
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<td>1</td>
</tr>
<tr>
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</tr>
<tr>
<td>123456</td>
<td>CANON EOS DIGITAL SLR / 12756 CP</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

**Thank You For Your Order**

*Shipment 1 of 1*

- **Missing items?** Your order may arrive in multiple shipments. Check the status of your order anytime by visiting My Account on Staples.com.
- **Need to return something?** If you’re not 100% satisfied with your purchase, return or exchange items online at Staples.com/returns. When returning in a Staples store, please bring this packing slip.
- **Questions about your order?** Visit Staples.com/help-center.
### Staples Advantage Packing Slip:

**STAPLES Business Advantage**

To reach customer service, please call (877) 836-7795

**SUNNYSIDE DELI**
SUNSHINE PHILPOTT
500 STAPLES DR
P. SUITE 104
FRAMINGHAM, MA, 01702-4478
508-203-1801

**SPECIAL INSTRUCTIONS:**

<table>
<thead>
<tr>
<th>LINE #</th>
<th>STAPLES SKU</th>
<th>VENDOR PART NUMBER / SKU DESCRIPTION</th>
<th>UNIT OF MEASURE</th>
<th>QTY. ORDERED</th>
<th>QTY. SHIPPED</th>
</tr>
</thead>
<tbody>
<tr>
<td>00101</td>
<td>123456</td>
<td>Model123 / TESTING SKU 1</td>
<td>EA</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>00201</td>
<td>054321</td>
<td>Model543 / TESTING SKU 2</td>
<td>PK</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

**THIS IS NOT AN INVOICE**

Thank You for Your Order! Staples, Inc.
XII. Appendix B: Bill of Lading Detail

The VICS Bill of Lading must contain the following information (item numbers coordinate with numbers on BOL example page):

1. Ship date

2. Page number 1 of “x” when applicable

3. Complete name and ship location address of the shipper/supplier

4. Staples load number in SID # field of VICS Bill of Lading for all collect/3rd party LTL or FTL shipments assigned through the web routing process on Staplespartners.com.

5. Name and address of the receiver (Staples customer)

6. Use the “Special Instructions:” field to notate any type of expedited delivery service on collect/3rd party loads, as authorized by “Ordered By” as indicated on the PO or Staples Transportation Department.

7. VICS Bill of Lading number

8. Carrier name

9. Trailer number
11. Seal number: The shipper/supplier must provide a seal on all shipments moving on truckload carriers and notate the seal number in this field.

12. Carrier SCAC code

13. Pro number when applicable

14. Freight terms

15. “Master Bill of Lading: with attached underlying Bills of Lading” box checked when applicable

16. All Staples purchase order numbers and customer PO number.

17. Carton count for each PO

18. Weight for each PO

19. Indicate if PO is palletized.

20. Provide any additional details or comments (Additional note: DO NOT denote any type of expedited delivery service unless authorized by Staples Logistics)

21. Number of handling units

22. Type of handling units (pallets or cartons if floor loaded)

23. Number of packages

24. Type of packages (cartons)

25. Total weight (to include pallet weight when applicable)

26. Haz-mat box checked when applicable

27. Commodity description as defined by the National Motor Freight Classification (NMFC)

28. NMFC #

29. Freight Class (and sub-class for density items)

30. Shipper’s signature indicating BOL accuracy and date shipped

31. Check box for party who loaded freight

32. Check box for party who counted freight
   - Said to Contain (STC): You must check the box marked “By Shipper” for all shipments loaded and sealed by you.
   - Shipper Load and Count (SLC): Drivers will not verify individual carton counts. Drivers can be requested to verify the number of pallets on a given load provided he/she is given the opportunity to do so. In this case, you must allow the driver to sign for the appropriate # of pallets, STC (Said To Contain) “x” cartons and check the box marked “By driver/pallets said to contain.”

33. Carrier’s signature indicating receipt of product listed on BOL on date of pickup.
Additional Requirements related to Shipments and Bills of Lading:

1. Shortages and Damages

Prepaid: Shortages and damages on prepaid shipments are always the responsibility of the Vendor.

Collect: The Vendor shall be responsible for shortages and damages on collect Shipper Load and Count (SLC) shipments. However, if the seal signed for by the driver is not intact or missing upon delivery, the carrier will be accountable for any shortage.

- Concealed shortage or damage on collect shipments will be the Vendor’s responsibility.
- It is the responsibility of the Vendor to file claims with the transportation carrier.

Sealed shortage is a shortage reported by the end-user after delivery has been made.

2. Proof of Delivery (POD) Requests
In the event the Vendor receives a claim for shortages or damages, you will be asked to provide the following shipment documentation:

- **PREPAID** Vendors are to provide a copy of the POD and BOL.

- **COLLECT** Vendors need only provide copies of the BOL and packing list that accompanied the shipment in question. Vendors do not need to contact carriers to request POD’s.

### 3. Destination Charges

- Prepaid suppliers are responsible for any and all charges incurred at destination for the unloading of freight. Staples reserves the right to request tailgate delivery; i.e. delivery from the back of the trailer.

### 4. Issues and inquiries

All issues and inquiries from Staples related to order shipment, defects, compliance, inventory, deliveries or other issues must be answered within 1 business day of initial request. Inquiries should be directed to StaplesGlobaleCommerceSupplyChain@Staples.com.

Vendors that do not respond will be charged accordingly.

**Changes to this document and/or program will be communicated to the Merchant and Vendor teams where appropriate.**