

VENDOR COMPLIANCE GUIDELINES

Enclosed is the most current Vendor Compliance Guidelines for The Marshall Retail Group, LLC and InMotion Entertainment Group, LLC (collectively “Buyer”). The objective of this manual is to facilitate the efficient processing and shipping of product.

The Buyer’s Vendor Compliance Guidelines detail the specific requirements vendors are required to follow. Your compliance is critical.

Please complete the last two pages of this package. The Acceptance and Acknowledgement Letter and Vendor Information Form must be signed and returned.

This packet outlines Buyer’s specifications for:

- I. BILLING
- II. VENDOR TICKETING
- III. RE-LABELING OF MERCHANDISE USING MRG LABELS
- IV. PACKAGING AND CARTON LABELING
- V. SHIPPING
- VI. GENERAL

APPENDIX A - TICKET PLACEMENT

APPENDIX B - PURCHASE TERMS & CONDITIONS

ACCEPTANCE AND ACKNOWLEDGEMENT LETTER (to be signed and returned)

VENDOR INFORMATION FORM (to be completed and returned)

All Vendors are **REQUIRED** to comply with these guidelines at all times. Exceptions to these guidelines will result in chargebacks that are deducted from Vendor payments.

The Vendor’s Signature on the Vendor Letter indicates receipt and acceptance of Buyer’s Vendor Compliance Guidelines. However, shipment of any merchandise signifies acceptance of the Vendor Compliance Guidelines by the Vendor.

VENDOR COMPLIANCE GUIDELINES

I. BILLING

Unless otherwise indicated or supported by local tax laws, Buyer Purchase Orders are for resale merchandise, and are not subject to sales tax. A resale certificate will be filed with your company upon request. You may call the Accounting Office at (702) 385-5233 to obtain a resale certificate.

Each Purchase Order (P.O.) must be invoiced separately, at the quantities and prices on the P.O. If any prices or quantities on the P.O. are incorrect, Buyer must approve price or quantity increases **prior to shipment**. Unapproved price or quantity increases will be deducted from Vendor invoices.

All invoices MUST contain a valid **Buyer P.O. number**. A \$50 chargeback will be assessed for invoices that do not contain a P.O. number. A \$100 chargeback will be assessed for invoices that contain more than one P.O. number.

All invoices will be paid in accordance with the Purchase Order, Purchase Terms and Conditions (Appendix B) and other terms contained in the Vendor Compliance Guidelines.

ALL INVOICES MUST BE MAILED OR EMAILED AS FOLLOWS:

Marshall Retail Group OR In Motion Entertainment Group

Attn: Retail Accounts Payable
3755 W Sunset Rd, Suite A
Las Vegas, NV 89118
EMAIL: accountspayable@marshallretailgroup.com

A \$25 chargeback will be assessed for invoices mailed to any other address.

II. VENDOR TICKETING

All Vendors are required to ticket merchandise or provide a scannable UPC barcode. Tickets, if needed, will be shipped at a cost of \$11 per purchase order. If you have not received tickets in 7 to 10 business days after receiving an order, contact Esther Diedrich-Yearman, Distribution Center Director, at (702) 949-8761 or email: esther@marshallretailgroup.com. Ticketing charges will be automatically deducted from your invoice.

If the product you are providing requires adhesive tickets and you are equipped to produce adhesive merchandise tickets you may make your own tickets by following Buyer standards:

- Blank ticket stock may be purchased from Buyer at current cost.
- If ticket stock is purchased from any other supplier it must have buyer approval.
- Buyer UPC and compatible bar code must be used. Buyer approval required for any Vendor UPCs.
- Cover any existing bar codes; do not apply new ticket over existing incorrect pricing.
- Remove existing hang tags unless approved by Buyer.

All Vendors are required to pre-ticket merchandise prior to shipment and will incur chargebacks if pre-ticketing is not done or is incorrect.

See APPENDIX A for proper ticket placement.

* Please refer to the **Chargeback Schedule** on Page 7 of this document.

III. RE- LABELING OF MERCHANDISE USING BUYER LABELS

Some Vendors may be required to re-label merchandise as specified, using Buyer supplied labels. If required, labels will be included with Purchase Order tickets. If you have not received labels in 7 to 10 business days after receiving an order, **contact Esther Diedrich-Yearman, Distribution Center Director, at (702) 949-8761.**

CHANGING LABELS IN THE GARMENT:

- Remove existing label and **sew Buyer supplied label in the same location**, generally at the back of the neckline. There should not be any extra needle holes in the garment.
- Fabric content and care instructions must be in ALL garments.

Vendors who are required to re-label merchandise prior to shipment will incur chargebacks if re-labeling is not performed or is incorrect. Chargebacks will include the cost of labor and supplies.

*Please refer to the **Chargeback Schedule** on Page 6 of this document.

IV. PACKAGING AND CARTON LABELING

INDUSTRY STANDARDS AND SIZE RESTRICTIONS

All corrugated shipping containers must meet minimum industry standards of ply weight, compression strength, and puncture resistance. All packaging must comply with current National Motor Freight Classification Guide requirements and be within FedEx and/or United Parcel Service (UPS) size restrictions.

PALLETIZED/CARTON PACKAGING AND LABELING

When appropriate or requested by Buyer, individual cartons must be consolidated into appropriately sized unit loads for ease and efficiency of transport and handling. The unit load is considered to be a standard size pallet.

With the exception of parcel (UPS/FedEx) shipments, all merchandise must be in cartons and all cartons on pallets with dimensions of:

- 48" x 40" with a maximum fork clearance of 3 ½".
- Maximum height of stacked cartons is 72", including pallet.
- All cartons must not exceed the length & width of the Pallet.
- Cartons must be stacked on the pallet preferably in an interlocking pattern.
- Purchase Orders must be kept together.

Cartons must be secured to the pallet, and the load properly stabilized to prevent shifting in transit.

Stretch-wrapping film is a minimum requirement.

**** Note: Any shipments that arrive with cartons not intact or P.O.'s commingled will incur chargebacks.**

CARTON PACKING

The following packaging procedures must be followed in order to avoid chargebacks:

- All ready to wear apparel and accessories must be individually poly bagged and flat packed (no hangers), unless specified differently by Buyer.
- Multiple piece sets must be poly bagged together according to Buyer Purchase Order.
- All headwear must be poly bagged in quantities of six (6) by style, color, and size within an inner pack carton, unless specified differently by Buyer.
- Hardline inner pack quantities must be packed as specified on the Buyer P.O.
- Gift and plush vendors must notify buyer with inner pack information before shipping.
- Quantity shipped must match Buyer P.O. Substitutions or overages will incur chargebacks and be subject to return.
- Do not use foam packing peanuts.**

Individual cartons must not exceed 50lbs.

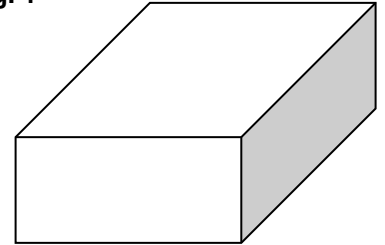
MASTER PACK CARTON LABELING

Buyer requires the following information on all master pack labels:

- P.O. Number
- Buyer Style # & bar code
- Vendor style #
- Quantity (by size and color when applicable)

Place the Master Pack label on the smallest end panel in the upper right corner. See the example to the right (Fig. 1).

Fig. 1

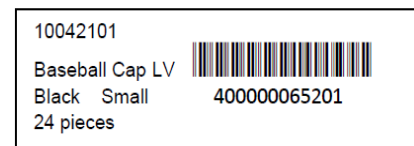


INNER PACK LABELS

Buyer requires the following information on all inner packs:

- Buyer Style number and barcode
- Description
- Color (when applicable)
- Size (when applicable)
- Quantity

sample inner pack label



**Pre-ticketed items inner packed in clear poly bags do not require additional inner pack labels.

PACKING SLIP

A packing slip must accompany all shipments; 1 packing list per P.O. if shipping multiple purchase orders. Color and size unit breakdowns must be clearly listed on the packing slip. The Packing slip must be enclosed inside of or attached to carton #1 and marked "Packing Slip Enclosed".

Packing slip quantity must match the quantity shipped.

SHIPPING LABEL

Buyer requires the following information on all shipping labels:

- Vendor Name
- Vendor Address
- Phone Number
- Purchase Order Number
- Carton number and total number of cartons (i.e. 15 of 30).

V. SHIPPING

Buyer does not pay freight. DO NOT ADD FREIGHT CHARGES TO THE INVOICE. A \$25 charge will be assessed against invoices containing freight charges.

All shipments are to be FOB Destination.

Buyer cancel dates are IN HOUSE. Shipments must arrive by the cancel date or be subject to refusal or chargebacks.

COMPLETE SHIPMENTS

All Purchase Orders must be shipped complete. Partial shipments are not allowed without the written consent of the Buyer.

Note: Each carton should contain merchandise from only one (1) Purchase Order! Please DO NOT mix items from multiple P.O.'s in the same carton.

ASN CONTACT PRIOR TO SHIPPING

Prior to shipping any order to Buyer, Vendor must contact us to provide shipping details at:

- By email at mrgshipping@marshallretailgroup.com or by phone at (702) 949-8747
- Vendor will not receive a reply on these message lines. Contact the Director of Distribution directly for questions regarding shipping: esther@marshallretailgroup.com.

Provide the following information:

- Vendor Name
- PO #
- # Units Shipped
- Carrier (FedEx, UPS, LTL truck etc.)
- Date to be shipped
- Contact name and information so that we may contact you if necessary

DELIVERY ADDRESS

All shipments are to be sent to:

MRG Distribution Center
3755 W Sunset Rd
Suite A Receiving Dock
Las Vegas, NV 89118

Drop shipments to other address as noted on Buyer Purchase Order.

BILLS OF LADING (PALLETIZED SHIPMENTS via LTL carrier)

Multiple P.O.'s must be combined onto one Bill of Lading

BILLS OF LADING MUST INDICATE THE FOLLOWING:

- Actual shipping point (NAME/ADDRESS)
- Description (COMMODITY)
- Buyer Purchase Order # (s)
- Billing must be prepaid (DO NOT SHIP DRIVER COLLECT)

VI. GENERAL

By delivering goods to Buyer pursuant to any Purchase Order, seller agrees to indemnify, save and hold Buyer harmless from any loss incurred by Buyer, including the payment of reasonable attorney's fees, based on claims of infringement of any patent, copyright, trademark, trade dress, trade secret, or related right of any kind made against Buyer arising out of Buyer's resale of the goods delivered by seller pursuant to any P.O.

Special instructions, as required, will be forwarded with Purchase Orders.

Notification to Buyer is to be made immediately if Vendor is unable to deliver in part or all of the merchandise included in a P.O. Partial shipments are not allowed without the written consent of the Buyer.

Any violations of any of the terms and conditions stated in the Vendor Compliance Guidelines may result in cancellation of the P.O., chargeback in accordance with the chargeback schedule included or, if no chargeback amount is noted, a chargeback of no less than 1% of the amount of the invoice and at least \$100 in addition to the chargeback of any erroneous charges recorded on the invoice.

All new Vendors are required to submit a valid W9 Tax ID Certificate with the Vendor Information Form and Acknowledgement letter found at the end of this document.

VENDOR GUIDELINE RECAP

A. PACKING INSTRUCTIONS

- No individual cartons to exceed 50 lbs
- Master pack label on all cartons; inner pack label when applicable
- All ready to wear apparel and accessories poly bagged individually and flat packed
- All sets must be poly bagged together according to Buyer P.O.
- Do not use packing peanuts
- **No substitutions or overages without buyer approval**

B. PACKING SLIP

- A packing slip must accompany all shipments
- Color/size breakdown must be included on the packing list if applicable
- Enclose a packing slip in carton or in a poly-envelope attached to carton #1
- The carton containing the packing slip must be marked "Packing Slip Enclosed"
- P.O. # must be clearly marked on packing slip

C. SHIPPING LABELS

Each carton must be labeled and the labels must include:

- Vendor Address
- Shipping Address
- Buyer Purchase Order Number
- On multiple carton shipments, each carton must be marked "Carton number – total number of cartons" i.e. "1 of 5" – "2 of 5" – 3 of 5" etc. Indicate the total number of cartons in shipment

D. CARTON SPECIFICATION

- Minimum 200 lb. Test

E. PALLET SPECIFICATION

- 48" X 40" X 72"

F. SHIPPING INSTRUCTIONS

- All Vendors pay for freight charges
- EARLY or LATE shipments that are accepted will result in a 1% chargeback of the entire shipment for each business day the shipment is early or late. In addition, the vendor will be responsible for all inbound freight
- All freight moved SAME DAY; SAME ORIGIN must appear on the same Bill of Lading
- If the Vendor mailing address is not your shipping point, please submit the correct information on the Buyer Vendor Information Form. Phone (702) 385-5233; Fax (702) 385-7924
- Any violation of the above requirements or requirements on the Buyer Purchase Order will result in either cancellation of the order or a 1% chargeback, unless otherwise stated above

G. BILLING INSTRUCTIONS

- All invoices must contain a valid P.O. number
- Each P.O. must be invoiced separately
- All payment will be the lower of the invoice price or the P.O. price
- The payment due date will be based on the actual date received in the Buyer Distribution Center, or the date of the invoice, whichever is later

- Early shipments, if accepted, will have the payment due date based on the start ship date as noted on the P.O.
- Any shipments that are received either early or late, if accepted, will be assessed a 1% fee for each day early or late

CHARGEBACK SCHEDULE

A	<u>PACKING VIOLATIONS</u>	<u>CHARGE</u>
	• Overweight carton (per carton)	\$ 50.00
	• Inner packs missing/incorrect	\$ 100.00
	• Apparel shipped on hangers	\$ 50.00
	• Packing peanuts used	\$ 50.00
B	<u>PACKING SLIP VIOLATION</u>	
	• Not shipped with merchandise	\$ 100.00
	• Color/size breakdown not listed	\$ 50.00
	• Carton containing P/S not marked	\$ 50.00
	• Packing slip different than quantity shipped	\$ 50.00
	• Substitutions included in shipment	\$ 50.00
	• P.O. # missing or incorrect	\$ 50.00
C	<u>CARTON MARKING VIOLATIONS</u>	<u>CHARGE</u>
	• P. O. # missing or incorrect	\$ 100.00
	• Carton not marked with merchandise, qty. or style#	\$ 50.00
	• Multiple P.O.'s in same carton	\$ 50.00
	• Other missing information required	\$ 50.00
D	<u>SHIPPING VIOLATIONS</u>	<u>CHARGE</u>
	• Shipped to wrong address	\$ 100.00
	• Multiple P.O.'s shipped in the same box	\$ 100.00
	• Multiple P.O.'s commingled among pallets	\$ 100.00
E	<u>BILLING VIOLATIONS</u>	<u>CHARGE</u>
	• P. O. # missing or incorrect on invoice	\$ 50.00
	• Multiple P.O.'s on single invoice	\$ 100.00
	• Total units not on invoice	\$ 50.00
	• No invoice #	\$ 50.00
	• Invoice cost does not match P.O. cost	\$ 50.00
	• Invoice not mailed to correct address (See invoice requirements)	\$ 25.00
F	<u>VIOLATIONS REQUIRING REWORK</u>	<u>CHARGE</u>
	▪ Incorrect/Missing/Misplaced tickets/labels	\$ 100.00
	▪ Un-Authorized vendor hangtags not removed	\$ 100.00
	▪ Incorrect Inner packs or missing polybags	\$ 100.00
G	<u>EARLY/LATE SHIPMENTS</u>	
	▪ If accepted	1% of invoice amount for each day early / late
	▪ If refused	\$ 100.00 plus all costs incurred
H	<u>VIOLATIONS NOT SPECIFIED ABOVE</u>	No less than 1% of invoice, at least \$100.00

BUYER CONTACT INFORMATION

Please contact the appropriate Buyer or Assistant Buyer for any questions regarding merchandise changes, cancel dates, product substitutions, or other information concerning your purchase order.

VICE PRESIDENT - FASHION

- Tamara Chamberlain – (702) 949-8753; **Email:** tchamberlain@marshallretailgroup.com

MEN'S FASHION, ACCESSORIES & FOOTWEAR

- Jacqueline Britton, Buyer – (702) 949-8767; **Email:** jbritton@marshallretailgroup.com
- Lindsey Eaton, Associate Buyer – (702) 949-8717; **Email:** leaton@marshallretailgroup.com

READY TO WEAR

- Cat Wu, Sr. Buyer – (702) 949-8792; **Email:** cwu@marshallretailgroup.com
- Kaitlyn McNicholas, Associate Buyer – (702) 949-8732; **Email:** kmcnicholas@marshallretailgroup.com

WOMEN'S FOOTWEAR, LICENSED BRANDS & INTIMATES

- Caron Walker, Buyer – (702) 949-8773; **Email:** cwalker@marshallretailgroup.com
- Lauren Casa, Asst. Buyer – (702) 949-8772; **Email:** lcasa@marshallretailgroup.com
- Jacqueline Nguyen, Asst. Buyer – (702) 949-8793; **Email:** jnguyen@marshallretailgroup.com

WOMEN'S ACCESSORIES & HANDBAGS

- Pilar Ponce, Buyer – (702) 949-8754; **Email:** pponce@marshallretailgroup.com
- Eva Salvador, Asst. Buyer – (702) 949-8721; **Email:** esalvador@marshallretailgroup.com

LICENSED

- Aimee Babinski, Assoc. Buyer – (702) 949-8771; **Email:** ababinski@marshallretailgroup.com
- Casey Scott, Asst. Buyer – (702) 949-8810; **Email:** cscott@marshallretailgroup.com

VICE PRESIDENT - LOGO

- Tara Towers – (702) 949-8729; **Email:** ttowers@marshallretailgroup.com

LAS VEGAS HARLEY-DAVIDSON & LICENSED

- Margaret Barlow, Buyer – (702) 949-8749; **Email:** mbarlow@marshallretailgroup.com
- Kristina Martinez, Asst. Buyer – (702) 949-8707; **Email:** kmartinez@marshallretailgroup.com

LICK BRANDED, GIFT, TOYS & PLUSH

- Melanie Pacoma, Buyer – (702) 949-8789; **Email:** mpacoma@marshallretailgroup.com
- Jennyfer Marquez, Asst. Buyer – (702) 949-8752; **Email:** jmarquez@marshallretailgroup.com

SOFT LINES – AIRPORT RETAIL

- Jennifer Caruano, Buyer – (702) 949-8758; **Email:** jcaruano@marshallretailgroup.com
- Nikki Rivera, Assoc. Buyer – (702) 888-1561; **Email:** nrivera@marshallretailgroup.com

SOFT LINES – RESORT RETAIL

- Janine Walton, Buyer – (702) 949-8742; **Email:** jwalton@marshallretailgroup.com
- Raquel Nurkiewicz, Asst. Buyer – (702) 949-8806; **Email:** rnurkiewicz@marshallretailgroup.com

BUYER CONTACT INFORMATION (CONTINUED)

HARD LINES

- Nancy Nightengale, Buyer – (702) 949-8743; **Email:** nnightengale@marshallretailgroup.com
- Dawn Rodriguez, Assoc. Buyer – (702) 949-8759; **Email:** drodriguez@marshallretailgroup.com

SUNDRIES

- Elaine Jensen-Yep, Buyer - (702) 949-8760; **Email:** eyep@marshallretailgroup.com
- Ukare Sano, Asst. Buyer – (702) 949-8738; **Email:** usano@marshallretailgroup.com

LOCAL SUNDRIES

- Renee Ellis, Buyer – (702) 949-8719; **Email:** rellis@marshallretailgoup.com

INMOTION ENTERTAINMENT GROUP

DIVISIONAL MERCHANDISE MANAGER

- Robert Cummins **Email:** rcummins@inmotionstores.com

BUYERS

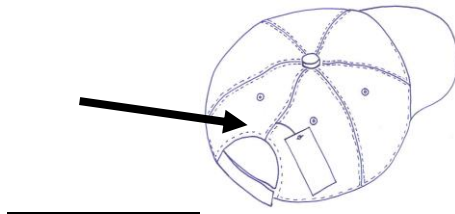
- Daris Young; **Email:** dyoung@inmotionstores.com
- Chris Burns; **Email:** chrisburns@inmotionstores.com
- Chuck Blanca; **Email:** cblanca@inmotionstores.com

APPENDIX A
TICKET PLACEMENT

Listed below are common items purchased by Buyer. It is the Vendor’s responsibility to contact Buyer for instructions on any items not listed specifically to ensure proper ticket placement.

ACCESSORIES

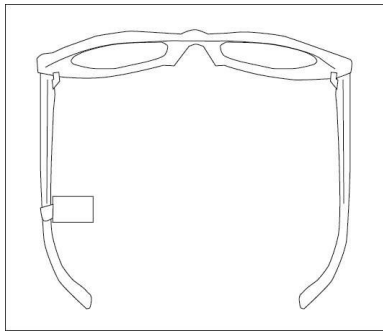
- **BELTS**
 Attach ticket to belt buckle.
Tickets MUST be attached using 3” / 75 mm Secur-a-tach fasteners (handcuffs).
- **EARRINGS, PINS**
 Attach ticket to **back** of earrings / pin card provided. Attach earrings or pin to card.
- **GLOVES**
 Attach ticket at top of **left** glove using a 3” General Purpose Fastener (bullet). Attach in seam, **do not puncture fabric.**
- **HATS**
 - **Baseball style caps:** Attach ticket into center back seam no more than 1” from the bottom.



- **Other hats:** Attach ticket to label inside of headband using a 3” General Purpose Fastener (bullet).
- **NECKLACES, BRACELETS, ANKLETS, WATCHES, KEYCHAINS**
 Fold ticket at perforation. Loop tail around item at the clasp, buckle, or ring.
- **NECKWEAR**
 Attach ticket to keeper at the back of the tie
- **RINGS, TOE-RINGS**
 Loop ticket around ring.
- **SCARVES**
 Attach ticket to label or into seam (if present) using a 3” General Purpose Fastener (bullet). **Do not puncture fabric.**
- **SOCKS, PANTYHOSE**
 Attach ticket to **back** of packaging. Cover any existing bar code.

- **SUNGLASSES**

Fold ticket at perforation. Loop tail around item at left arm joint.



APPAREL (MEN'S, WOMEN'S, CHILDREN'S)

DO NOT PUNCTURE FABRIC. Tickets must be attached using a 3" General Purpose Fasteners.

- **BLOUSES, T-SHIRTS, DRESSES, OUTERWEAR, SWEATERS, TOPS, ROBES**

Attach ticket into care / size label at neckline. If care label is not present at neckline, attach ticket in **neckline seam**. Email for ticket placement instructions if attaching ticket at neckline will damage garment; Buyer Director of Distribution: (702)949-8761 or ediedrich@marshallretailgroup.com .

- **PANTS, SHORTS, SKIRTS**

Attach ticket into care / size label at waistband.

- **SWIMWEAR**

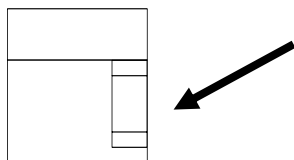
Attach ticket to label.

Two piece sets: attach ticket to care label on top.

- **Ticket should be attached to the top item of 2 piece sets.**

FOOTWEAR

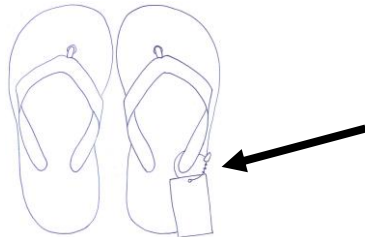
- **SHOE BOXES**



Tickets should be placed vertically on the RIGHT SIDE of the **front** of the shoe box.

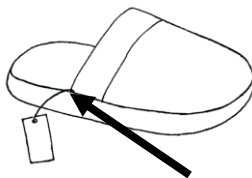
➤ **Shoe Boxes with Barcodes: Tickets should be placed vertically OVER THE EXISTING BARCODE on the front of the shoe box.**

- **FLIP FLOPS AND SANDALS**



Attach ticket on the right shoe at the outer strap using a 3" / 75mm Secur-a-tach fastener (handcuff)..

- **SLIPPERS**



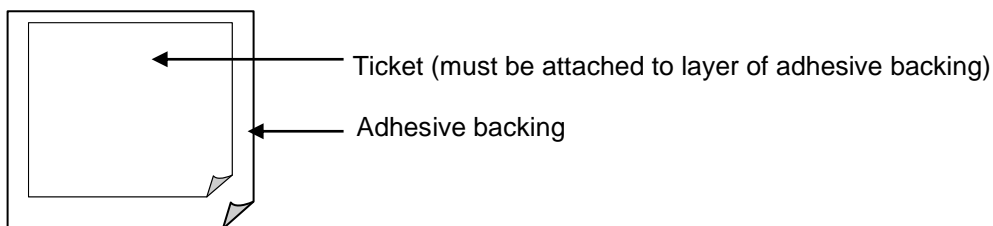
Attach ticket to outside **right** slipper using a using a 3" General Purpose Fastener (bullet).

FRAGRANCE

- Adhesive type ticket should be centered on the bottom of the box.
- **Ticket should cover any existing bar code.**

GIFT- COLLECTABLES, DOLLS, SPECIALTY GLASS, AND OTHER INDIVIDUALLY BOXED GIFT ITEMS

- Piggy-back type ticket should be placed over any existing bar code on the item box. If no bar code is present, place ticket on bottom of box.
- Peel outer layer adhesive backing leaving ticket in place on inner layer of adhesive backing:



HANDBAGS, TOTES, FANNY PACKS, WALLETS, COIN PURSES

- Tickets **MUST** be attached using 3” / 75mm Secur-a-tach fasteners (handcuffs).
- Tickets should be attached to the zipper pull **inside the item**. If zipper is not present, attach ticket to outside zipper pull or right side of handle.

LUGGAGE

- Tickets **MUST** be attached using 3” / 75mm Clear Secur-a-tach fasteners (handcuffs).
- Ticket should be attached to right side of top handle.

LOGO SOUVENIERS

- KEYCHAINS, PENS
Wrap around key ring or pen clip.
- GLASSWEAR, PLATES, SHOT GLASSES, MUGS ETC....
Attach ticket to the **bottom** of the item.
Ticket **must not cover any logo or important information** such as county of origin, age dating, or warning statements. Tickets must be adhered to the product, NOT the packaging.
- MAGNETS, FRAMES, MISCELLANEOUSE LOGO ITEMS
Attach ticket to **back** of item. **Cover any existing bar code. Call for instructions if placement needs discussion.**

PLUSH

- If card-stock tickets are sent; attach ticket into care / mfg label using a 3” General Purpose Fastener (bullet). If peel and stick tickets are sent; attach ticket to existing hang tag **covering any bar code**.

BEACH TOWELS, GOLF TOWELS

- Attach ticket to the label. Tickets must be attached using a 3” General Purpose Fastener (bullets).

APPENDIX B

PURCHASE TERMS & CONDITIONS

- 1. TERMS:** The terms and conditions contained in the Vendor Compliance Package and any special conditions on any Purchase Order and any drawings or specifications referred to on the face thereof together are the complete and exclusive statement of the terms and conditions of the Purchase Order (P.O.). Changes in or waiver of the terms and conditions of the P.O. shall not be binding on Buyer unless made in writing and signed by an authorized representative of Buyer's purchasing department. Buyer and Vendor as designated in the Purchase Order shall be subject to and governed by the Purchase Order including all Terms and Conditions herein (the Purchase Order and the following terms and conditions are hereinafter collectively referred to as the Contract). No terms and conditions of Vendor contained in any reply in acknowledging this Contract or in the acceptance of this Contract shall apply. Acceptance by Buyer of the goods or services shall not constitute acceptance of Vendor terms and conditions. All P.O.'s require the signature of a responsible party.
- 2. TRADEMARKS AND CONFIDENTIAL INFORMATION:** Vendor has no right to, and agrees not to, use the trade name or service mark of Buyer or its affiliates ('Mark') in any advertising or publicity to endorse Vendor's products or services, or for any other purpose or in any other manner except to fulfill this Contract: Vendor is authorized to use Marks solely as specified in, and only in connection with, this Contract. Goods manufactured shall not be sold or made available to anyone other than Buyer's authorized representatives. All information including, but not limited to, writings, drawings, models and oral disclosures not in the public domain, received by Vendor from Buyer, or learned of or produced by Vendor in performing work for the Buyer, is Buyer's property, shall be held by Vendor in confidence at all times, shall not be used or disclosed to any third party without Buyer's prior written consent, and shall be returned to Buyer upon demand. Buyer and its affiliates shall be entitled to equitable relief to prevent a breach, or secure enforcement, of this paragraph.
- 3. PACKAGING AND SHIPPING:** All goods shall be prepared for shipment and packed to prevent damage or deterioration, to secure lowest transportation rates and comply with carrier tariffs. Buyer will pay no charges for preparation, packaging, crating or cartage unless separately stated in the Contract. Vendor shall comply with Buyer's written instructions as to packaging and shipping. Vendor shall ship so that product arrives at Buyer's facility on or after the "Earliest Receipt Date" but not after the "Cancel Date" specified on the P.O. without Buyer's prior written approval.
- 4. TIMELINESS:** Time is of the essence in the Vendor performance of the Contract. If in the sole exclusive judgment of Buyer, Vendor has failed or if Vendor has refused to expeditiously proceed with delivery and installation pursuant to the terms of the Contract, the Buyer may terminate without cost or penalty, the whole or any part of the Contract, provided Buyer gives Vendor two (2) days prior written notice of such termination. Upon such termination Buyer may purchase elsewhere and hold Vendor accountable for any and all damages sustained by Buyer as a result of such termination. If Vendor does not make delivery of the goods on or before the specified delivery date, or if all or a portion of the goods is not satisfactory to Buyer or is not in compliance with the terms of this Contract, Buyer may cancel this Contract as to all or a portion of the goods and return same to Vendor at Vendor's sole cost and expense. Buyer shall not be obligated to accept replacements for rejected goods, unless Buyer specifically requests in writing that such rejected goods be replaced. Quantity discounts, if any, given to Buyer shall not be lost as a result of the rejection of any goods for the reasons set forth herein.
- 5. TITLE AND RISK OF LOSS:** Title to goods shall rest in Buyer upon final acceptance of the goods by Buyer at destination. Vendor shall bear all risk of loss on goods until such final acceptance, except for loss occasioned by the negligence of Buyer.
- 6. PRICE:** Prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged do not exceed those charged by Vendor to any other customer purchasing similar goods or services in comparable quantities or like circumstances.
- 7. PAYMENTS:** Invoices shall contain the following information: Contract or Purchase Order number, item number, Contract description of goods or services, colors, sizes, quantities, unit prices and extended totals. No invoice shall be issued prior to delivery of goods or performances of service and no payment shall be made prior to receipt of correct invoice. Payment due dates including discount period shall be computed from date of receipt of goods or date of correct invoice (whichever is later) to date Buyer's check is mailed. However, should receipt of goods occur prior to the first receipt date, the due date will be computed from the first receipt date noted on the P.O., if the merchandise is accepted. Buyer may set off any amount owed by Vendor or any of its affiliated companies to Buyer against any amount owed by Buyer under this Contract. If an invoice is sent to the wrong address, billing terms shall be measured from receipt of invoice at the correct address. The date of mailing of buyers check is the date payment is made for payment discount purposes.
- 8. GRATUITIES:** Vendor understands and will comply with the policy that employees of Buyer do not accept for their personal benefit gifts, gratuities, cash, samples, special favors or other means of influence as inducements to conduct business with Vendor. Buyer may by written notice to Vendor cancel the right of Vendor to proceed under any Contract if it is found that Vendor has violated policy stated above. In the event a Contract is so canceled, Buyer shall be entitled (i) to pursue the same remedies against Vendor as Buyer could pursue in the event of a breach of the Contract by Vendor and (ii) to collect, in addition, any other damages to which it may be entitled including any sums or consideration paid by Vendor.
- 9. ACCEPTANCE AND REJECTION OF GOODS; WAIVER:** Approval of requested preproduction sample is required prior to product manufacture. Final inspection and acceptance of the goods shall be at Buyer's premises and shall be at the time of first usage of such goods by Buyer. Acceptance by Buyer of all or any part of the goods and services shall not constitute a waiver of Buyer's right of final inspection or of any claims Buyer might have for delays in delivery; and subsequent to such acceptance, Buyer shall retain the right to revoke acceptance of all or any part of such goods and services that fail to comply with the Contract. If the goods and services are rejected, in whole or in part, at any time, Vendor shall bear all loss, cost and expense in connection therewith, shall make all arrangements for storage and disposition or return of such goods and services, shall indemnify and hold harmless the Buyer for each and every such loss, cost, or expense; and Vendor shall be responsible to Buyer for all resulting damages including, but not limited to, Buyer's special, incidental and consequential damages resulting from any breach of this Contract by Vendor and any failure by Vendor to perform hereunder. Failure of Buyer to state a particular defect upon rejection shall not preclude Buyer from relying on unstated defects to justify rejection or establish breach. In addition to any and all of Buyer's other rights provided by operation of law, Buyer shall have the right, but not the obligation to replace defective goods and services by buying from other supplier's property that is reasonably similar to the goods and services. In the event Buyer exercises such right, Vendor shall reimburse and/or pay Buyer for all costs incurred therein, which include, but are not limited to, (i) cost incurred by Buyer to obtain such replacement goods and services, (ii) any monies paid by the Buyer to Vendor that have not been used by Vendor to produce the goods and services, and (iii) all of Vendor's materials, work-in-progress, and inventory related thereto.
- 10. WARRANTY:** Vendor warrants that all goods and services under this Contract (i) shall be new, (ii) shall conform to the requirements of this Contract, including all applicable descriptions, specifications, drawings and samples, (iii) shall be of good quality and be free from defects in design, material and workmanship. If Vendor knows or has reason to know the purpose for which Buyer intends to use the goods, the goods are to be suitable in every respect for the purpose intended and shall be merchantable. No food, drug, device, cosmetic contained in any shipment to Buyer at any time will, at time of shipment or delivery, be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, or be an article which may not, under that Act, be introduced into Interstate Commerce. These warranties are in addition to any other express warranties given by Vendor for such goods and services and any warranties implied by law and trade and usage. Vendor's Warranties shall survive inspection, acceptance and payment, extend to any person who may reasonably be expected to use, consume or be affected by the goods and who is injured by the warranty breach, and be construed as consistent and cumulative with each other and with all warranties implied by law, Vendor

waives any defense based on absence of privity with any injured person. Buyer may, at its option, return for credit and refund or require prompt correction or replacement of the non-conforming goods. Defective or non-conforming goods shall not be corrected or replaced unless specified in Buyer's written order.

11. INFRINGEMENT: Vendor shall defend, indemnify and hold harmless Buyer, Buyer's customers and any subsequent user of the goods against all claims, causes of action, liabilities, losses, cost or expenses (including attorney's fees) arising out of any alleged infringement by any goods delivered under this Contract.

12. CHANGES: Buyer may by written notice make changes within the general scope of any Contract in any one or more of the following (1) drawings, design or specifications (ii) method of shipment or packing; (iii) place of inspection, delivery or acceptance; (iv) reasonable increases in quantities and (v) reasonable changes in delivery schedules. Vendor shall proceed immediately to perform a Contract as changed. If any such change causes an increase or decrease in the cost of or time required for performance, an equitable adjustment shall be made in (i) the Contract price, time of performance, or both, and (ii) such other provisions as may be affected, and the Contract shall be modified in writing accordingly. Any claim by Vendor for adjustment must be asserted within thirty (30) days after Vendor's receipt of such change notice. Nothing in this clause shall excuse Vendor from proceeding with a Contract as changed.

13. TERMINATION ON DEFAULT VENDOR: In the event of any default by Vendor of any of the provisions of the Contract or of Vendor's misapplication of Buyer's funds, then Buyer may, in its sole discretion, terminate the Contract or any part thereof, without any further cost, expense or obligation to Buyer, and Vendor shall be liable to Buyer for any and all damages resulting directly or indirectly therefrom, including, but not limited to incidental, special and consequential damages.

14. DEFAULT: If Vendor fails to comply with a Contract or fails to make progress to such extent that Buyer deems that performance of a Contract is endangered or any proceeding is filed by or against Vendor in bankruptcy or for insolvency or any trustee or receiver is appointed for Vendor or an assignment is made for the benefit of creditors, Buyer may cancel any Contract by written notice to Vendor without any liability.

15. WORK ON BUYER'S PREMISES: If Vendor's work under a Contract is on Buyer's premises, Vendor shall take all necessary precautions to prevent the occurrence of injury or damage to persons or property. Vendor shall maintain such public liability, property damage and employee's liability and compensation insurance as shall protect Buyer from said risks and from any claims under any applicable workman's compensation and occupational disease acts.

16. LIENS: Vendor shall indemnify and hold Buyer and its property free and clear of all liens and encumbrances and shall at Buyer's request furnish waivers by Vendor and all other persons entitled to assert any lien rights in connection with the performance of this Contract.

17. CORPORATE SOCIAL RESPONSIBILITY: Buyer practices Corporate Social Responsibility ("CSR") and aims to engage in sustainable business activities to promote its corporate values. Buyer believes that to fulfill this responsibility, it is vital to improve the quality of our purchasing and procurement of goods and materials, and we have therefore established the following policy with the aim of practicing CSR and forging sound relationships with suppliers. To support these initiatives, Vendor hereby makes the following representations and warranties for the benefit of Buyer: 1) Vendor observes laws and regulations of respective countries and endeavors to understand and respect international norms and guidelines in conducting its procurement activities. 2) Vendor endeavors to engage in highly transparent transactions that are just and fair, and does not participate in cartels or bid-rigging. 3) Vendor, in addition to quality, prices, delivery dates, and procurement periods, properly assesses the financial situation, technological capabilities, social responsibility initiatives, etc. of suppliers, and engages in transactions that are based on rational decision-making. 4) Vendor promotes purchasing and procurement from suppliers that respect human rights and do not commit human rights infringements such as unjust discrimination, slave labor, forced labor, child labor, human trafficking, etc. 5) Vendor promotes purchasing and procurement from suppliers that properly manage health and safety risks and take action to improve occupational health and safety on an ongoing basis (collectively "CSR Representations.")

18. INDEMNITY: To the fullest extent permitted by law, Vendor shall indemnify defend and hold Buyer harmless from and against all, claims, causes of action, liabilities, losses costs and expenses (including attorney's fees) arising out of any act, omission or negligence of Vendor, including but not limited to Claims for personal injury, property damage, patent, copyright or trademark infringement, unfair competition and Vendor's breach of this Contract or the CSR Representations. Vendor shall carry such public liability, property damage and employee liability and compensation insurance as shall be satisfactory to Buyer, and upon Buyer's request Vendor shall furnish to Buyer appropriate evidence of such insurance. Vendor releases and waives any and all rights of recovery from Buyer based on any peril or perils enumerated in the insurance policies required to be maintained by Vendor. Each such policy of insurance shall contain an express waiver of all rights of subrogation against Buyer. To the fullest extent permitted by law, this Indemnity applies whether or not Buyer has committed any acts or omissions (whether actively or passively negligent or non-negligent). Buyer may employ attorneys of its selection to appear and defend the claim or action for Buyer, at Vendor's expense. Buyer, at its option, shall have the sole authority for direction of the defense and be the sole judge of the acceptability of any compromise or settlement of any claims or actions against the Buyer.

19. RIGHTS REMEDIES AND WAIVERS: The rights and remedies provided to Buyer herein shall be cumulative and in addition to any other rights and remedies provided by law or equity. The failure of Buyer to insist on the performance of any provision of the Contract to exercise any right or privilege granted to Buyer under this Contract shall not be construed as waiving any such provision and the same shall continue in force.

20. COMPLIANCE WITH LAWS: In addition to the CSR Representations, Vendor shall comply with all applicable federal state and local laws, ordinances, rules and regulations, including those relating to gaming establishment prices, equal employment opportunity, occupational health and safety, employment of veterans and handicapped persons. Vendor represents that the goods and services under this Contract shall be produced in compliance with all applicable requirements of the Fair Labor Standards Act of 1938, as amended, and all applicable regulations and orders of the Department of Labor issued thereunder, unless otherwise agreed in writing. Vendor shall insert a certificate to such effect on all invoices submitted in connection with this Contract, there shall be deemed incorporated in this Contract by this reference all clauses and provisions that are mandatorily required by law, regulation or executive order to be incorporated into a Contract or subcontract.

21. ASSIGNMENT: No rights or obligations under any Contract may be assigned by Vendor in whole or in part, nor may Vendor subcontract in whole the performance of its duties hereunder without, in either, case Buyer's prior written consent. The terms and conditions of all Contracts shall be binding upon any permitted successors and assigns of Vendor.

22. LIMITATION OF ACTIONS, JURISDICTION AND VENUE: Any action based on Buyer's breach must be commenced within one year after accrual of the cause of action. Contracts shall be interpreted and enforced under the laws of the State of Nevada, without regard to Nevada conflict of law rules. Vendor hereby agrees that venue and jurisdiction shall be vested in the federal and state courts sitting in Clark County, Nevada. Vendor waives its rights to a jury trial.

23. ATTORNEYS FEES AND COSTS: The prevailing party to any proceeding, including arbitration brought to enforce the terms of the Contract, shall be entitled to reasonable attorney's fees and costs.

24. CONSTRUCTION: The terms and conditions of any Contract shall be construed as a whole according to its fair meaning and not strictly for or against any party. The parties acknowledge that each of them has reviewed these terms and has had the opportunity to have it reviewed by their attorneys and that any rule of construction to the effect that ambiguities are resolved against the drafting party shall not apply in the interpretation of these terms.

25. CONTRACT ACCEPTANCE AND MODIFICATIONS: Upon Vendor's acceptance of any Contract, the Contract and all terms included in Vendor Compliance shall constitute the entire agreement between the Vendor and Buyer. Except as provided in paragraph 12 above, no subsequent modification or alteration of a Contract whatsoever, shall be binding upon the Buyer and Vendor, unless agreed upon in writing by the Buyer and Vendor. All different or additional terms or conditions contained in the Vendor's original quotation, acceptance, confirming memorandum, or order acknowledgment of a Contract are hereby objected to and rejected by Buyer. Until accepted by Vendor, a Contract constitutes only an offer to enter into a Contract to purchase the goods specified herein. Vendor shall indicate its acceptance of an offer by executing, completing and returning a copy of the Contract to Buyer. **Any shipment made by Vendor shall be deemed an acceptance of the terms and conditions of these terms** notwithstanding any different, conflicting or additional terms or conditions contained in any quotation,

acceptance, confirming memorandum, order acknowledgment invoice or other document of the Vendor. Buyer reserves the right to revoke this offer at any time prior to Vendors acceptance hereof. This Contract may not be explained or supplemented by course of dealing, usage of trade, or course of performance or varied or contradicted by parol evidence- except at the written election of Buyer.

Buyer's failure to (i) insist on strict performance in any respect, or (ii) exercise any right, or take any action permitted on a breach by Seller shall not be deemed a waiver.

26. HEADINGS AND SUBHEADINGS: All headings and subheadings in the Contract are for convenience purpose only and shall not be used in the interpretation of the Contract.

ACCEPTANCE AND ACKNOWLEDGEMENT LETTER

Dear Vendor:

All Vendors are required to comply with specific guidelines as outlined in the Vendor Compliance Manual. The attached guidelines outline a comprehensive list of requirements for Vendors doing business with Buyer. Requirements include: Terms, Billing, Vendor Ticketing, re-labeling of Merchandise using Buyer Labels, Packaging, Carton Labeling and Shipping. Please review this packet and distribute applicable sections within your organization to ensure compliance with our standards.

Please review the Vendor Compliance Guidelines in detail. These requirements will have a dramatic impact on the flow of merchandise from your facility to our selling floor. If there are deviations from the requirements, chargebacks will occur.

Please acknowledge the receipt of this packet and agreement to its terms by signing this letter and emailing to your buyer or:

esther@marshallretailgroup.com
Subject line: Vendor Compliance

In addition, please complete our “Vendor Information Form” so that we may update our records accordingly. New Vendors are also required to submit a valid W9 Tax form. If you have any questions please contact Esther Diedrich-Yearman at (702) 949-8761 or esther@MarshallRetailGroup.com.

Thank you for your anticipated cooperation and we look forward to a long and mutually beneficial relationship.

Thank you,

CFO

I acknowledge receipt of the “Vendor Compliance Guidelines”, and agree to comply with all policies set within its contents.

_____	_____
Signature	Date
_____	_____
Print Name	

Title	

Company	

Buyer	

VENDOR INFORMATION FORM

Check one: New vendor Vendor update Current # _____

Vendor Name: _____

Other Names (DBA): _____

Main Address: _____

Phone #: _____

Showroom Address: _____

Rep Name: _____ Phone #: _____ Email: _____

Shipping Address: _____

Return Address: _____

Payment Remit to name: _____ USD CAD
Address: _____

Factor Yes No If Yes, Factor Name: _____

Payment Terms (As per agreement with MRG buyer): _____

Please check one:

Tickets will be printed and sent to vendor by Marshall Retail Group
Ticket Address: _____

Tickets will be printed by vendor

MRG Buyer: _____ Date Submitted: _____

For Office Use Only

Process Date: _____ Delivery Type: Warehouse Store

Vendor #: _____ Created By: _____