

## **Vendor Requirements and Purchase Order Terms**

### **Hallmark Retail, LLC**

These are the Vendor Requirements and Purchase Order Terms for Hallmark Retail, LLC. These terms were revised to incorporate all retail groups and our various store concepts under Hallmark Marketing corporate ownership. These terms apply to all corporate owned stores.

### **INVOICING and BILLING**

1. **INVOICE REQUIREMENTS** – Each location receiving merchandise must be invoiced separately. Each purchase order must be invoiced separately. The invoice must include:
  - Our six digit Purchase Order number
  - The Store Number
  - **Invoice in same unit of measure as the Purchase Order** (Example: If 12 widgets are priced at \$1.00 each, the invoice needs to reflect the same. The invoice should NOT be sent as 1 set of 12 at \$12.00 if at all possible.)
  - Break out any Tax or Freight separately
  - Reference payment terms, remittance address, company phone and fax number
  - Reference vendor's Federal Tax Identification Number (TIN) (This will need to be on record only. It does not need to appear on each invoice.)
  - A copy of your companies' W9 is required by law and will need to be kept on file within Hallmark. Please provide the W9 copy with the signed agreement form attached to this packet.
  - Invoices received without the above information may be returned for correction. Dating and payment terms will begin upon the receipt of the corrected invoice.
  - Original invoices should be sent via EDI, e-mail or mailed to the following address:

Hallmark Retail, LLC  
C/O Crown Financial Services  
P.O. Box 418307, MD #357  
Kansas City, MO 64141-9307

E-mail address for invoices: [Customercare.ap@Hallmark.com](mailto:Customercare.ap@Hallmark.com)

If you are capable of submitting invoices via EDI, please contact Denise Hartke, EDI Coordinator at Customer Care (816) 274-5126 to discuss and establish connection requirements.

Questions regarding Hallmark Retail, LLC invoices can be directed to Customer Care at 816-274-5126.

2. **PACKING LIST REQUIREMENTS** – a photocopy of the invoice or a packing slip must accompany each shipment, preferably on the outside or inside of carton number one.  
The packing list for each store must include:
  - Our six digit Purchase Order number
  - The Store Number
  - Items in same unit of measure as the Purchase Order
3. Hallmark Retail, LLC purchase order and store number **MUST** be on all documents pertaining to this order.

4. All orders must be shipped complete as possible within the shipping period specified on the Purchase Order.
  - We reserve the right to reject all goods not delivered within the time specified.
  - Any substitution, variation, or divergence from the order will be at the expense and risk of the vendor. Example: Unordered overages will be kept at the vendor's expense unless it is proven to be a Hallmark Retail, LLC error. Product shipped and received after the PO cancel date may be kept by Hallmark Retail, LLC at the vendor's expense.
5. **No backorders or substitutions without prior written authorization from the Hallmark Retail, LLC Buyer will be permitted. If backorders are authorized, they must be shipped freight prepaid and ship within the given shipping period. Do not include unauthorized substitutions on your invoice. Any invoice that includes unauthorized substitutions will be paid net of substitutions.**
6. Hallmark Retail, LLC may, by written notice to the Seller, cancel the whole or any part of the Purchase order if Seller fails to:
  - Make delivery of the goods within the time specified herein on the Purchase Order
  - No replacements accepted for damaged and/or shorted goods.
7. All **sample merchandise** must be shipped at **no cost** and freight prepaid by Seller. Samples **will not** be returned to the vendor.
8. **Returns and Credits must be handled within ten (10) days of notification from Hallmark Retail, LLC**
  - All vendors will receive a Receiving Discrepancy Notice (RDN) from Hallmark Retail, LLC with notification of any shipping exception reported by our stores.
  - Vendors will be allowed 10 calendar days to respond to the RDN and arrange for pick up of product at the vendor's expense.
  - After the 10 days has expired, credit will be taken if necessary, and the product will be donated or destroyed.
  - No reversals will be made after the 10 days.

## MARKING AND PACKING

1. Pack each store separately and label each carton with the store name including store number, vendor name and purchase order number.
2. The store number must be included in the store name on all labels, bills of lading and invoices. For example: Hallmark Creations #681
3. If pre-ticketing has been negotiated, products must be labeled with the standard 12 digit UPC and a retail price sticker.

## SHIPPING REQUIREMENTS

1. Please refer to the attached Domestic Routing Guide for shipping requirements. Hallmark Retail, LLC prefers vendors to use FedEx Ground to take advantage of discounted freight costs. Please allow 2-3 weeks for supplies to arrive before shipping.
2. ALL shipments are shipped as FOB destination – ownership of product transfers to Hallmark upon delivery at our stores. Hallmark Retail, LLC will not be involved with carrier claim processes.

## PRODUCT WARRANTIES

1. Seller warrants that all articles furnished according to our purchase order shall be free from defects in workmanship and material, is fit and safe for consumer use, and shall comply with the terms of the purchase order. If any article delivered hereunder does not comply with any implied or expressed warranties, Hallmark Retail, LLC may require Seller to correct at no cost to Hallmark Retail, LLC, or return defective or non-conforming articles to Seller and recover the contract price.
2. Acceptance of this order shall constitute an agreement upon Seller's part to indemnify, **defend** and hold Hallmark Retail, LLC harmless from all liability, loss, damage and expense, including reasonable counsel fees incurred or sustained by Hallmark Retail, LLC by reason of the failure of the goods to conform to such warranties. Such indemnity shall be in addition to any other remedies provided by law.
3. Seller warrants to Hallmark Retail, LLC that the use or sale of the goods delivered hereunder shall not infringe the claims of any patent, trademark or copyrights covering the goods themselves, and Seller agrees to indemnify Hallmark Retail, LLC against liability for any such infringement.
4. Seller represents that the goods covered by this order have been manufactured in accordance with the requirements of the Fair Labor Standards Act **and Hallmark's Supplier Code of Conduct, each as amended from time to time.**
5. The labeling of goods furnished hereunder shall comply with applicable industry guides specified by the Federal Trade Commission. Seller warrants that all goods comply with applicable Federal and state laws and regulations, including, but not limited to, the Textile Fiber Products Identification Act, the Flammable Fabrics Act, the Consumer Product Safety Act, the Food, Drug and Cosmetic Act and the Hazardous Substances Act, all as amended.
6. Seller represents and warrants that all articles and services covered by this Purchase Order meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law and its regulations in effect or proposed as of the date of this order.