Vendor Compliance Manual

Last Updated: January 2015
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Chasing Fireflies was founded in 2005 as a company committed to partnering with providers of highly unique and special products. Our relationships with our vendors are not only vital to our success, but a part of our heritage and foundation for the future. This manual is a way of furthering this tradition and outlining the basic things we need to do business.

Our success depends on your complete understanding and execution of our vendor and product standards. Our aim is to provide you with clear routing and packaging instructions to ensure an accurate, cost-effective and smooth flow of merchandise through our distribution center to our customers. Your adherence to these guidelines will contribute to our long-term mutual success and continuing relationship.

We have moved to a larger, automated distribution center and must have the following on every purchase order:

1. CF SKU Stickers on all products, must contains Chasing Fireflies sku number
2. Use of VendorNet, our purchase order management system
3. The use of UCC-128 carton labels in order to process inbound receipts more efficiently
4. Advance Ship Notices (ASN’s)
5. We have set up a vendor partner website (www.ccsginc.com/chasingfireflies.htm) that includes:
   a. a printable version of our Vendor Compliance Manual
   b. instructions on how to process purchase orders from us
   c. directions on how to create UCC128 carton labels and an ASN
   d. domestic and international routing guides

We request that you read and acknowledge our requirements by signing and returning the attached acknowledgement form/contact sheet to VendorCompliance@Chasing-Fireflies.com.

We value your commitment to providing Chasing Fireflies’ customers with excellent products and service. We look forward to strengthening our partnership through clear understanding of our requirements. Please contact us if you have any questions about the content of this manual.

Thank you,

David Niggli
President, Chasing Fireflies
Minimum Standards for Vendors

Chasing Fireflies strives to conduct business with vendors in a manner that reflects our basic principles and values. Our expectation is that every vendor will monitor their sourcing and production processes, within or outside the United States, to ensure that these standards are being met. All vendors are held responsible to ensure conformance to these standards. Chasing Fireflies reserves the right to make periodic inspections of vendor’s facilities to ensure compliance.

Legal Compliance:
Vendors and their goods and services shall comply with all requirements of U.S. Federal, State and local laws, as well as the standards of their industry and the laws of foreign countries where vendors may do business. All merchandise must be accurately marked or labeled with its care, content and country of origin in compliance with U.S. law and the laws of the country of manufacture.

All goods must comply with CPSIA (Consumer Product Safety Improvement Act) requirements. We require written assurance of compliance prior to shipment. As of February 10, 2010 all products must be accompanied by an approved testing certificate. (See Exhibit E)

Vendors must comply with all requirements of the FTC, Federal Trade Commission Act. By accepting purchase order and shipping product, all vendors substantiate and take all responsibility they have the legal rights to sell licensed products to Chasing Fireflies.

Vendors must procure and maintain adequate product liability insurance naming Chasing Fireflies as an additional insured. An active insurance certificate must be on file with Chasing Fireflies at all times providing full coverage of one million dollars for any liability.

Chasing Fireflies Code of Conduct for Manufacturers:

At Chasing Fireflies, we are committed to:

- a high standard of excellence in every aspect of our business and in every corner of the world;
- ethical and responsible conduct in all of our business dealings and operations;
- respect for the rights of all individuals; and
- respect for the environment.

We expect the same commitments to be shared by all manufacturers of merchandise supplied to Chasing Fireflies (“Manufacturers”). At a minimum, we require that all Manufacturers meet the following standards:

General

Manufacturers must comply with all applicable laws and regulations, including, but not limited to, those related to employment/labor, worker health and safety, and the environment.

All references to “applicable laws and regulations” in this Code of Conduct include local and national codes, rules, and regulations as well as applicable treaties and voluntary industry standards.
Child Labor

Manufacturers will not use child labor.

The term “child” refers to a person younger than 15 (or 14 where local law allows) or, if higher, the local legal minimum age for employment or the age for completing compulsory education.

Manufacturers employing young persons who do not fall within the definition of “children” will comply with any laws and regulations applicable to such persons.

Involuntary, Slave or Trafficked Labor

Chasing Fireflies will not do business with any entity found to be using slave, trafficked or involuntary labor in the production of goods and services for Chasing Fireflies. Chasing Fireflies retains the right to verify and audit compliance with this provision, whether through its own employees or third parties. All Manufacturers of goods and services to Chasing Fireflies certify that they are in compliance with this requirement.

Coercion and Harassment

Manufacturers will treat each worker with dignity and respect and will not use or tolerate corporal punishment, threats of violence, or other forms of physical, sexual, psychological, or verbal harassment or abuse.

Nondiscrimination

Manufacturers will not discriminate in hiring or employment practices, including salary, benefits, advancement, discipline, termination, or retirement on the basis of race, color, national origin/heritage, religion, age, nationality, social or ethnic origin, maternity, sexual orientation, gender, political opinion, or disability. Manufacturers will not retaliate against workers who complain in good faith about what they believe to be discrimination.

Association

Manufacturers will respect the rights of workers to associate, organize, and bargain collectively in a lawful and peaceful manner, without penalty or interference.

Health and Safety

Manufacturers will provide workers with a safe and healthy workplace in compliance with all applicable laws and regulations.

Manufacturers will also ensure that the same standards of health and safety are applied in any housing they provide for workers.

Compensation

Wages are essential to meeting workers’ basic needs. Manufacturers will, at a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, maximum hours, piece rates, and other elements of compensation, and provide legally mandated benefits. Manufacturers must pay at least minimum wages required by law or wages consistent with local industry standards, whichever is greater. If local laws do not provide for overtime pay, Manufacturers will pay at least regular wages for overtime work. Except in extraordinary business circumstances, Manufacturers will not require workers to work more than the lesser of (a) 48 hours per week and 12 hours per week overtime, or (b) the limits on regular and overtime allowed by local law; where local law does not limit the hours
of work, the regular work week in the country plus 12 hours overtime. In addition, except in extraordinary business circumstances, workers will be entitled to at least one day off in every seven-day period. Manufacturers must pay all vacation, holiday, and paid time off as required by applicable laws and regulations.

**Protection of the Environment**
Manufacturers will comply with all applicable environmental laws and regulations.

**Other Laws**
Manufacturers will comply with all other applicable laws and regulations, including those pertaining to the sourcing of components or raw materials, manufacture, pricing, sale, and distribution of merchandise.

**Subcontracting**
Manufacturers will not use subcontractors for the manufacture of merchandise supplied to Chasing Fireflies or components thereof without Chasing Fireflies’ express written consent. Chasing Fireflies may require, as one of the conditions of approval, that the subcontractor enter into a written commitment with Chasing Fireflies and comply with this Code of Conduct.

**Monitoring and Compliance**
Manufacturers will authorize Chasing Fireflies and its designated agents (including third parties) to engage in monitoring activities to verify compliance with this Code of Conduct, including unannounced on-site inspections of manufacturing facilities and employer provided housing; reviews of books and records relating to employment/labor matters; and private interviews with workers. Manufacturers will maintain on site all documentation that may be needed to verify compliance with this Code of Conduct.

**Publication**
Manufacturers will take appropriate steps to ensure that the provisions of this Code of Conduct are communicated to workers, including the prominent posting of a copy of this Code of Conduct, in the local language and in a place readily accessible to workers, at all times.

*The Chasing Fireflies Code of Conduct for Manufacturers is not a contract and does not create any contractual rights for Chasing Fireflies employees, Manufacturers, or third parties.*
**CPSC and CPSIA**

The Consumer Product Safety Improvement Act (CPSIA), which was enacted on August 14, 2008, imposes new requirements on a wide variety of products that are regulated by the U.S. Consumer Product Safety Commission (CPSC).

**Regulated Products**

• Refer to website for CPSC Regulated Products list ([www.cpsc.gov/businfo/reg.html](http://www.cpsc.gov/businfo/reg.html))

**General Conformity Certificate**

• Section 14(a)(1) of the Consumer Product Safety Act, as recently amended by the CPSIA, requires a General Certification of Conformity to be issued with respect to every product that is subject to any consumer product safety rule, ban, standard, or regulation enforced by the CPSC.

• The GCC is required for all import and domestic products subject to all applicable rules, bans, standards and regulations. Products without the required certificate cannot be imported or distributed in commerce in the United States.

• The GCC requirement is immediately applicable to products manufactured on or after November 12, 2008.

• ALL import & domestic vendors must meet the GCC requirement per the CPSC. The law applies to ALL applicable products and for ALL brands (National, Vendor, Market, No brands, etc.).

• Refer to website for CPSIA GCC requirements information ([www.cpsc.gov/about/cpsia/cpsia.html](http://www.cpsc.gov/about/cpsia/cpsia.html)).

**LEAD: in Substrates and Surface Coatings**

• Lead in substrates and coatings: vendors must certify compliance to the 300ppm lead in substrates and 90 ppm lead in coatings.

• Painted items must pass 16 CFR 1303 at 90 ppm.

**FOOD USE ITEMS**

• All food use items must be in compliance with FDA Standards and California Prop 65 standards for Lead and Cadmium limits.

• Please provide test reports for the items.
Children’s Products: Any product intended or marketed for children 12 years and under.

**Lead Content of substrate**

- As of 8/14/09, there is a 300 ppm limit for lead content in substrate materials of children’s products. Substrate is the material of which something is made, and to which surface coating may be applied. As of 8/14/11, the limit shall be 100 ppm if possible.

- Fabric plain and dyed from natural and synthetic fibers is exempt from lead testing.

- Printed fabric is not exempt, must be tested and conform to the limit.

- Leather is not exempt, must be tested and conform to the limit.

- Any metal button, zipper, bead or other embellishment must be tested and conform to the limit.

**Lead Paint**

- As of 8/14/09, the limit for lead in paint on children’s products, furniture and paint is set at 90 ppm. This requires 3rd party testing and certification.

- Any painted button, zipper, snap or other component with painted surface must conform.

Apparel Flammability: 16 CFR 1610 (Applies to adult and children’s clothing)

- Napped and lightweight (< 2.6 oz/sq yd) fabric must be tested and pass as a Class 1 fabric.

- Plain surface fabric > 2.6 oz/sq yd is exempt from flammability testing, weight must be verified.

- 100% or blends of: Wool, Nylon, Acrylic, Polyester are exempt from flammability testing, content must be verified

**Drawstrings:** ASTM 1816

- No drawstrings allowed on hood or neck of upper wear.

- Drawstrings at waist of upper wear and bottoms: be tacked at center back; not longer than 3” protruding from channel when fully extended- no knots or toggles at ends.

- Other ties: cannot be longer than 5” protruding from channel when fully extended.

- Sashes: not longer than 14” measured from the point to be tied.

**Small Parts:** 16 CFR 1502

- Any article intended for use by children under 3 years must not be a small part or contain components that are small parts and present choking hazards.
• Functional buttons are exempt but must be attached to pass the 15 lb pull test.

• Decorative buttons, zipper pulls, embellishments must be attached to pass the 15 lb pull test.

Toys

• Any item that has “play value”: must be tested and pass to the ASTM F963 standard for: Mechanical Hazards, Flammability of Solids, Soluble Heavy Metals, Folding Mechanisms. European EN-71 testing or CE certification is not a substitute for ASTM F963 testing.

• Toys-with magnets: Must be labeled with warning label specified in ASTM F963 and no hazardous magnets or magnetic components allowed in toys for up to 14 yrs.

Jewelry

• Must pass lead content limits for all components and findings as specified in 16 CFR 1303 and 1500.230:300 ppm for children up to 12 years.

Art Materials

• Must be tested and pass the toxicity and lead standard of ASTM D4236. Provide testing results.

Floor cushions/ bean bags with styrofoam beads

• Beads must be enclosed in an inner liner. Seam strength of liner must pass the 15lb/10 sec test.

Sleeping Bags

• Must pass ASTM F1955-99 Flammability test.

Tracking Labels for Children’s Products (effective 8/14/09)

• Permanent distinguishing marks on a permanent label attached to children’s products and the packaging is required.

• The labels must include: Manufacturer or private label name, Location of production (City, State/province), Date of production, Tracking Code: batch, run #

_________________________________________________________________________________________
California Prop 65 Compliance:

Lead content in Belts, Footwear, Wallets, Handbags (Adult product)

• The lead limits required by the settlement have different implementation dates for manufacturing, selling, material type, and product type.

• Commencing December 1, 2010, for wallets, handbags, purses, clutches and totes, and commencing August 1, 2011 for belts or footwear , Chasing Fireflies cannot purchase, import, manufacture or supply and Covered Product that will be sold to California consumers and which exceeds the following lead limits:

  o Paint or Surface Coatings on Accessible Components: 90 PPM;
  
  o Leather (including composited leather): 600 PPM; and, commencing December 1, 2011 for wallets, handbags, purses, clutches and totes, and commencing December 1, 2012 for belts or footwear, 300 PPM;

  o Polyvinyl Chloride (“PVC”) Accessible Components: 300 PPM; and commencing December 1, 2011 for wallets, handbags, purses, clutches and totes, and commencing December 1, 2012 for belts or footwear, 200 PPM

  o All other Accessible Components (excluding cubic zirconium, glass or rhinestones): 300 PPM.

• Chasing Fireflies must have on file the testing results for lead content in all the products discussed above.

• The tests all Vendors are required to provide are:

  o Paints and Surface Coatings on Components: 16 CFR 1303 Lead Content

  o Lead in Substrate materials: 16 CFR 1500.230 CPSIA 2008/EPA 3050,3051,3052
Other Regulatory Labeling

Several industries require labeling for various products. Please be sure that all mandatory labeling is on the product. We will inspect upon receipt of shipment. Following are a few of the labels we will be looking for:

- ORM-D (Other Regulated Materials – Domestic)
- Suffocation Warning Label
- Small Parts Warning Label
- FTC: Care, Content, Country of Origin Label
California Prop 65 Compliance: Jewelry: Lead, Cadmium, Phthalates

As a Chasing Fireflies partner supplying goods that are covered under Prop 65, it is imperative that each of your products supplied to Chasing Fireflies comply with our Prop 65 compliance protocol. It is your responsibility to provide approved third-party laboratory reports with each item submission to Chasing Fireflies’ Quality Assurance (“QA”) department.

1. All manufacturers of jewelry must provide a certification of Proposition 65 compliance to Chasing Fireflies per California law. The certificate of compliance form must be completed and returned to Chasing Fireflies’ Quality Assurance Department. Please see attached for an example.

2. Chasing Fireflies requires that all jewelry for adults not exceed cadmium levels above 300 ppm. The requirements for children’s jewelry remain unchanged with a zero tolerance for cadmium.

3. Chasing Fireflies requires that all jewelry for adults and children not exceed phthalate levels (DEHP, DBP, BBP) above 1000 ppm.

*Children's Jewelry items containing < 40ppm lead must be labeled with the following warning statement:

WARNING: CONTAINS LEAD. MAY BE HARMFUL IF EATEN OR CHEWED. MAY GENERATE DUST CONTAINING LEAD.
Certificate of Compliance with California’s Metal-Containing Jewelry Law

In addition to providing test reports evidencing compliance lead, cadmium and phthalates limits, all Jewelry and Watch items submitted to Chasing Fireflies QA must include a declaration of compliance with California law. This certificate must be on your company letterhead and must be on file before Top of Production (T.O.P) can be approved. A sample of the required certificate of compliance language is below:

[COMPANY LETTERHEAD]
Certificate of Compliance with California’s Metal-Containing Jewelry Law

We [NAME OF MANUFACTURER OR SUPPLIER] certify that the jewelry [PROVIDE COMPLETE DESCRIPTION OF THE JEWELRY REFERRED TO] does not contain a level of lead, cadmium or other materials that would prohibit the jewelry from being sold or offered for sale pursuant to Article 10.1.1, Chapter 6.5, Division 20, of the California Health and Safety Code [sections 25214.1 - 25214.4.2].

COMPANY NAME: ____________________________
ADDRESS: _________________________________
CERTIFIED BY: ____________________________
SIGNATURE: _______________________________
NAME: _________________________________
TITLE & DATE: ______________________________

Purchase Order Guidelines

Chasing Fireflies’ customers, who are ultimately your customers, have very high service and quality expectations. One of the keys to providing excellent customer service is having what the customer wants, when the customer wants it. The timely and accurate execution of a purchase order is essential in achieving our goal of outstanding customer service. To achieve this goal:

**Chasing Fireflies has the responsibility to:**
- Communicate plans and forecasts with the vendor and order product in a timely manner.
- Maintain the correct vendor and product information, such as pricing, terms and lead time.

**Vendors have the responsibility to:**
- Fill out all product fact sheets accurately and completely.
- Provide photo samples free of charge.
- Verify that all information contained in the purchase order is correct.
- Resolve all discrepancies with your Chasing Fireflies Inventory Planner or merchant.
- Ship accurately and completely in compliance with the guidelines contained in this manual.
- Abide by the Chasing Fireflies’ price guarantee (* See below).
- Possess the legal right to sell the product.
- Provide a picture of how the product will ship to the Chasing Fireflies distribution center.

Call Chasing Fireflies Inventory Planner immediately if the following occurs:
- Purchase order cannot be delivered completely and within the dates specified.
- Purchase order contains discrepancies of any type, such as price, minimums, case pack, etc.
- Vendor does not have sufficient quantities to fill purchase order.

**Product Price Guarantee:**

Vendors must guarantee wholesale prices for a full season. Chasing Fireflies publishes a customer retail price guarantee date and the vendor must guarantee wholesale pricing through that seasonal date. For any wholesale increases, vendor must advise the Chasing Fireflies inventory planner in writing 60 days before the next price guarantee date expires.

Price Freeze Date: November 1 = Locked for: January 1 through June 30
Price Freeze Date: May 1 = Locked for: July 1 through December 31

All purchase orders must be confirmed. Confirmation is acceptance of purchase order terms and represents a legal obligation to perform.

Confirmation of a purchase order is acceptance of the guidelines outlined in this vendor compliance manual, unless Chasing Fireflies has provided you written variances.

If the vendor is unable to fulfill confirmed orders on the product, Chasing Fireflies has the right to resource the product and the vendor will remain liable for all unrecoverable advertising costs.

Seller must guarantee that product or like product is not offered on flash sale / discount web sites during Chasing Fireflies’ selling season.
Late Fee Policy:

- Every item on a purchase order will have an expected in-CF-warehouse date, ship date and a cancel date. Vendors must ship on (or as close to) each ship date in order for Chasing Fireflies to receive the merchandise before the cancel date. The cancel date **is not** the last day to ship, it is the **date we expect all goods to be received by**.
- Vendors must notify Chasing Fireflies in advance if there will be a delay in shipment.
- **If there is a delay, and the shipment is going to be received after the cancel date, we reserve the right to cancel any or all of the items on the purchase order. If late items are kept, the vendor will be liable for all actual backorder costs incurred, at a minimum cost of $5/unit.**
  - Unauthorized substitution of goods, damaged/defective goods, or product that doesn’t match photo sample will not be accepted and product will be returned at vendor’s expense.
- **Orders must not be received past the purchase order cancel date** or prior to the purchase order ship date or they will be subject to refusal. Vendor must contact the inventory planner if delivery will not be within the shipping window.
  - If the inventory planner approves an early receipt, the invoice will continue to be due on the original due date.
  - Any shipment arriving after the purchase order has been cancelled, or has no visible valid purchase order on the master carton, may be refused.

Purchase Orders contain the following information: *(See Exhibit G)*

1. Ship To Location
2. Purchase Order Number
3. Order Date
4. Expected Arrival Date
5. Ship Via (freight carrier)
6. Terms
7. CF Item Number (CF sku number)
8. Quantity Ordered
9. Item Description
10. Vendor Item Number
11. Price Per Unit
12. Extended PO Cost
Vendor Compliance Infraction Charge Backs

Your role in our working relationship is to understand and execute our vendor guidelines before you accept orders. The inventory planner must approve any variation to these standards in advance of the shipment. Violations to our requirements will result in direct charge backs to you to offset additional costs to correctly package, label or dispose of unsatisfactory products.

Charge Back Procedures/Fees:
- All merchandise will be subject to our packaging and marking requirements. Any merchandise not conforming to our minimum standards will be candidates for a vendor charge back or a return to vendor.
- Vendor credit memos will be prepared by the Distribution Center staff for all violations of packaging and marking requirements. Also, we will charge back for internal damage and vendor-related quality problems. Chasing Fireflies will provide photographs or documentation whenever possible.
- Credit memos will automatically be sent to the Chasing Fireflies Accounting Department for processing. Copies will be sent to the inventory planners for approval.
- Approved charge backs will be deducted from the next vendor invoice payment.
- All infractions will be assessed the actual direct labor and material costs incurred by Chasing Fireflies.

Charge backs for Non-Compliance

Warehouse non-compliance:
Our warehouse requires the use of UCC-128 labels and ASN’s from all vendors. An ASN, Advanced Ship Notice, assists us in planning when shipments will arrive on our receiving dock. This will reduce the number of inquires you will receive from our inventory planners on the status of the purchase order. UCC-128 labels are one per carton and clearly identify the shipper and contents in each box. The information on the UCC-128 must match the ASN summary information, as it is used in our receiving, invoice, and payment matching systems.
Following is a list of non-compliance reasons and chargeback costs:

**note for SKU Labeling Missing or Incorrect - $90 is charged plus an additional $0.47 per unit.**

<table>
<thead>
<tr>
<th>Charge</th>
<th>Per</th>
<th>Comment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>102 ASN Not On Time</td>
<td>$90</td>
<td>shipment</td>
<td>No</td>
</tr>
<tr>
<td>103 ASN Not Complete or Accurate</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>104 ASN and Shipment Don’t Agree</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>105 UCC-128 Not Present</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>106 Case Label Not In Proper Loc.</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>107 Min Case Markings Not Present</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>108 Poor Case Packaging</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>109 Case Label Not Per Code-UCC</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>110 No Case Level ASN</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>111 UCC-128 Label Not Scannable</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>114 SKU Labeling Missing</td>
<td>$90</td>
<td>shipment</td>
<td>Yes</td>
</tr>
<tr>
<td>115 Multi-Sku Cases</td>
<td>$5</td>
<td>case</td>
<td>No</td>
</tr>
<tr>
<td>117 Problem Resolution Labor Hours</td>
<td>$18</td>
<td>hour</td>
<td>Yes</td>
</tr>
<tr>
<td>125 ASN Overage Above 10% on PO</td>
<td>$90</td>
<td>shipment</td>
<td>No</td>
</tr>
</tbody>
</table>

Transportation non-compliance:

When Chasing Fireflies is paying for any portion of a shipment’s freight, the carrier selected must be determined using our current Routing Guide (see: www.ccsginc.com/ChasingFireflies.htm).

Wrong carrier selection will result in a chargeback for the full amount of the freight.

Domestic Shipping Approval Non-Compliance: Failure to obtain approval prior to shipping will result in non-compliance chargeback fees and could lead to refusal of goods.

Unless otherwise stated on purchase order communications, all international shipments are to be shipped, DDP (Delivered Duty Paid).

Vendor Non-Compliance charge backs (debit memos) are sent via email to our vendor PO contact. Whenever appropriate, the warehouse will take pictures to show the problem – these will be included with the debit memo. Chasing Fireflies finance department will deduct the debit amount from the vendor’s current or next invoice payment. Other arrangements will be made with “Letter of Credit” or “Wire” payment vendors.

Our goal is to have ZERO non-compliance issues. Please contact our Vendor Compliance Team at (206)574-4526 or email VendorCompliance@chasing-fireflies.com if you need help or clarification.
Packaging & Labeling Guidelines

All merchandise shipped to the Chasing Fireflies Distribution Center must adhere to the following general packaging, marking and labeling guidelines. Please contact the Chasing Fireflies Inventory Planner if you have any questions about these requirements. The inventory planner must approve any variation to these standards in advance of the shipment. Violations to our requirements will result in actual cost charge backs to offset additional costs to package, label or dispose of unsatisfactory products.

**Item Packaging & Labeling Requirements**

- All soft goods MUST be placed individually in a clear polybag with a minimum of 1.5mil thickness and made of polyethylene (polypropylene or cellophane are not acceptable). Hard goods that do not contain outer packaging will need to be placed individually in a clear polybag. Hard goods in vendor provided packaging do not need to be placed in a polybag.
- Polybags must not contain air holes of any type.
  
  **Exception:** All leather, suede and fur items should be covered with paper and shipped in polybags/garment bags with air holes to allow the fabric to breathe.
- Natural products must contain silica dry packets to keep the moisture from deteriorating the product.
- Polybags must contain the following stamp on the center back side: “WARNING: Keep this bag away from babies and children. Do not use in cribs, beds, carriages or playpens. Thin film may cling to the nose and mouth and prevent breathing. This is not a toy.” (*See Exhibit H)*
- All garments should be folded unless otherwise specified on the purchase order.
- Flat folded merchandise must hold to folded form within sealed polybag. Do not use polybags that are too large causing the item fold to come undone.
- Apply a 1”x 4” SKU label to the front center bottom of the polybag with the Chasing Fireflies sku number (shown on PO in the ‘CF Item No.’ column). Securely seal polybag along the entire length of the opening to keep merchandise secure at all times.
  
  **HardGoods** Apply the SKU sticker to the bottom of each carton.
- The polybag must be heat sealed; zip locked or sealed in the back securely with transparent tape. The back flap must be trimmed to less than 2”.
- All apparel products should be folded so the size label can be clearly seen from the outside of the bag without removing the product from the packaging.
- Cases should contain only one SKU – See Case Size Requirements Section on Page 22.
- No additional stickers should be applied to the front of the polybag.
- Items that qualify to be shipped GOH (Garment on Hanger) should be polybagged and sealed at the bottom. Hangers should swivel or face the right side of the garment. A SKU label should be placed on the outside of the polybag within 3” of the top center front of the hanger hook.
- Product hang tags are not allowed unless pre-approved by the inventory planner.
- Suggested retail price must not display on any garment/product tags.
- Vendor URLs are not allowed on the packaging if you market your product directly to consumers or if you recruit customers to provide their email or postal address.
- All non-apparel items must be shipped with at least 1” of protection inside the box.
- Merchandise must be packaged as an advertised selling unit. Units sold as sets (ex. 2-piece ensembles) must be packed in the same polybag.
- All items need to comply with the CPSIA (http://www.cpsc.gov/about/cpsia/faq/103faq.html) children’s product tracking laws. The following information must be permanently attached to the item and the packaging. (*Please note that it can be multiple labels or locations on the item.*)
- Country of origin, Style number, CF Purchase Order number, Location of Production, Date of Production and who the product is intended for (i.e.: not intended for children under 3)

- Do not use Styrofoam peanuts or other loose fill as dunnage.
- Do not secure individual cases with straps, bands, staples, or string fabrics.
- Polybags and SKU stickers are not required on items considered “Small” by the following definition:
  A. Item is less than five dollars ($5.00) cost **AND**
  B. Length is less than twenty-four inches (24”) **AND**
  C. Width is less than four inches (4”) **AND**
  D. Height is less than three and one-quarter inches (3-1/4”)

- Product Category Specific requirements:
  - Girls Swimwear must be fitted with a hygienic liner.
  - Jewelry Each item should be individually bagged as a selling unit. Contact the CF inventory planner to confirm specific product packaging.
  - Shoes do require a shoebox, but do not require a polybag. Shoes are only sold in whole sizes. European sizing must be translated into US sizing on the packing list and on the shoebox labeling. Translations must be provided to the merchant with the apparel fact sheet. **SKU labels for shoes should be placed in the lower right hand corner of the small side of the box.**
  - Food/Candy/Plants/Seeds/Beauty Care Products Expiration date and Lot Number must be affixed to the back of the individual unit packaging. **Please apply Manufacture Date, Lot Number, acceptable storage Temperature Ranges and Expiration Date to the exterior of the shipping cartons also. All items must be securely sealed with tamper-proof tape or shrink wrap. If items are breakable they must be wrapped in foam protection or bubble wrap. Food products containing nuts, soy, milk and other allergens must clearly state contents and allergy warnings on the packaging.**

*Exhibit H: Polybag Suffocation Warning Label*
**Inner Carton (If necessary) - Packing & Marking Requirements**

- The inner carton specifications must ensure the safe arrival of merchandise and meet the following criteria:
  - Use durable packaging from at least a 200 lb. test corrugated fiberboard carton.
  - Design package to avoid internal friction on all items.
  - Ensure that there is no unoccupied air space.
  - All carton packaging materials must be biodegradable.
  - Ensure that there is no movement of merchandise within the carton.

- Always ship goods as efficiently as possible. Each carton should contain only one color and size. Please contact our Vendor Compliance Team at (206) 574-4526 if you are unsure about how to package.

Each carton must adhere to the standard UCC-128 marking requirements.

- On Inner Cartons / boxes - place the UCC-128 label in the **lower left-hand corner** of the small side of the box.
Master Shipping Carton - Packing & Marking Requirements

Packing List

- A packing list must be included with each shipment of a purchase order. The following information must always be on a packing list:
  1. CFF Purchase order number
  2. CFF Style (Item) number
  3. CFF Item description
  4. CFF Color and size
  5. Manufacturer's style number (if applicable)
  6. Total number of shipped & backordered units

- Attach a packing list to the outside of lead carton in the shipment in a pressure-sensitive plastic pouch. Seal this lead carton with red tape so it can be easily identified.

- The quantity per inner carton and per master carton must be standardized. If total purchase order quantity results in the last carton containing an odd quantity, the carton number and quantity must be noted on the packing list and the carton.

- Consult with the Inventory planner to modify the order quantity to determine case quantities before the goods are shipped.

Case Size Requirements

Cases should contain ONLY ONE SKU (style/color/size) whenever possible. Multiple purchase orders should never be mixed in a case.

Multi-SKU cases: Some of our purchase orders are for small items such as jewelry and/or small quantities of multiple SKU’s. Chasing Fireflies will waive the multi-SKU chargeback fees, given an agreement with the vendor has been reached prior to shipping. This approval must be given by Chasing Fireflies and is done so on an individual purchase order basis. In this situation the following packing guidelines must be followed:

- Place a SKU sticker on each item.
- Put each SKU in its own bag or inner carton.
- Insert the UCC128 label for each SKU to the corresponding bag / if using inner carton – place the UCC-128 label on the inner cartons short side.
  - Minimum inner box size is 4”l x 4”w x 2”h
  - Label the outside of the Multi-SKU carton with a sticker indicating “Multi SKU Carton, PO #XXXXXXXX”

All other instructions throughout this manual apply to multi-SKU master cases.
Cases must not exceed the size listed in this picture:

** Minimum shipping case is 9” x 6” x 6”

Each master carton must be a minimum of 200 lb. test bursting strength, 36 E.C.T. or equivalent corrugated fiberboard carton, securely sealed and labeled. For heavy or bulky items, such as furniture, 275 lb. test bursting strength corrugated is required.

Case weights are not to exceed 50 lbs. and the maximum length should not exceed 40”, unless required for a single selling unit.

Cases must be sealed with brown tamper-proof tape. Having your vendor name printed on the tape is highly recommended to deter in-transit pilferage.

The top and bottom must be sealed with three strips of tape on all exposed edges.

Cases should not be overpacked (box breaks open in transit) or underpacked (crushed in transit).

We prefer recyclable packaging materials. Foam peanuts are not allowed.

**External Case Labeling (UCC-128 Labels)**
- Print UCC-128 label(s) from VendorNet and attach only one label per carton to the lower left-hand corner of the short side of the carton.
- A unique 20 digit UCC-128 barcode case label is required on each case in a shipment.
- Vendors creating their own UCC-128 carton content labels must have them approved prior to the first shipment. Email a copy of your completed label to: VendorCompliance@Chasing-Fireflies.com. Typical label size is 4” wide by 6” high and a minimum 10 pt universal font.
- All information on the label below is required.
- The data needed to fill out the label will be on the purchase order you receive.
Ship From (vendor address)
Vendor #
Ship To
Carrier Info (at time of shipping)
Purchase Order #
Chasing Fireflies Item #
Vendor Item # (optional)
Size (Chasing Fireflies)
Color (Chasing Fireflies)
Description (Chasing Fireflies)
Case # of (determined at time of packing)
Qty in Case (determined at time of packing)

- Vendors creating their own UCC-128 label must follow these guidelines. The unique 20 digit case number along with the label data must be entered in the Advance Shipment Notification (ASN) on the purchase order lines, which must be created prior to shipping. If using VendorNet to create UCC-128 labels, the ASN will automatically be created and transmitted to the DC.
UCC-128 Carton Labeling

UCC-128 labels are printed from our Purchase Order VendorNet web application. For assistance, contact our Vendor Compliance Team at (206) 574-4526 / VendorCompliance@Chasing-Fireflies.com

UCC-128 Case Label Placement for Standard vs. Non-Standard (Large Item) Cases

Standard Case Size – This diagram above shows the maximum dimensions for standard cases. This is the largest case size that can be lifted by our staff and fit on our racking.

Non-Standard Case Size – If a case is larger than any of the dimensions listed above then the case is non-standard. Non-Standard cases require approval from our Vendor Compliance Team.

Standard Case Labeling Guidelines

- The UCC-128 Case Label must be placed on the smallest side of a case.
  - ** Find the smallest side by laying the case flat so that the height is the shortest it can be (disregard where the case opening is).
- The UCC-128 label should be placed in the lower, left corner on this side of the case.
- Place the label about one inch from the bottom left side of the case.
- If the label is bigger than the smallest side, place the bar code portion of the label in the lower left and fold the remainder of the label over the top of the case.

We must be able to scan the bar code on the UCC-128 label and see the label on our storage racking. Please ensure it is correctly positioned in the lower left corner.

Non-Standard (large item) UCC Labeling

Label placement on non-standard cases must allow for quick and efficient hand scanning. All UCC128 case labels must be placed facing out and only one label per case.
Labels must be placed on the smallest end of a case in the lower, left hand corner. This enables us to maximize space in our warehouse. Please see below for a correctly labeled pallet of non-standard sized cases.

Non-Standard with Arrow Directions

Safe handling of merchandise is top priority at our warehouse. Non-Standard sized cases with arrow directions (“this side up”, etc.) should have labels placed in a manner that corresponds to these directions.

The UCC-128 case label must be placed on the lower left hand corner of the case, corresponding to the arrow being in correct vertical position.
Advanced Shipment Notification (ASN)

• Chasing Fireflies requires an ASN for every purchase order. Please refer to our vendor partner website (www.ccsginc.com/chasingfireflies.htm) on how to automatically create this from our purchase order VendorNet web application.

ASN Instructions

• In the Purchase Order VendorNet web application ( URL Here ), enter and print your UCC-128 carton labels
• When you add your shipment tracking number the ASN will automatically be sent for your shipment.
• The ASN must be sent prior to scheduling the shipment to be picked up by the carrier.
Vendor Routing Guides

Our North American and International Vendor Routing Guide links can be found on our Vendor Partnership Website by using this link: www.ccsginc.com/chasingfireflies.htm. Unless otherwise stated on purchase order communications, all international shipments are to be shipped, DDP (Delivered Duty Paid).

Palletizing

1. The required pallet size is 48” long x 40” wide (1.22m long x 1m wide).
2. Maximum height of pallet 65” (1.65 meters) including cases and pallet.
3. Cases on the pallet must not overhang pallet length or width.
4. Use Four-way pallets.
5. A pallet label with the following information, must be on all 4 sides of EACH pallet:
   • Ship to: Chasing Fireflies
   • Ship From: Vendor Name
   • Vendor Address
   • Chasing Fireflies PO #
   • PRO #
6. Place cases on pallet so all case labels face outward as shown below:
7. Cases of the same PO should be numbered “xx of xx” starting with “01 of xx”.
8. Corner bead protectors are required on all four corners.
**Invoice Requirements**

On the date of shipment, the original invoice must be mailed or electronically transmitted to:

**CFF-AP@cornerstonebrands.com**  (877) 333-1049
Chasing Fireflies
Attn: Accounts Payable
PO Box 1037
West Chester, OH 45071-1037

- Payment for merchandise received will be made only through receipt of proper documents. Terms commence from the later of the purchase order receipt date, the date of invoice receipt or the receipt of goods.
- Include only one purchase order per invoice. Multiple P.O.’s on an invoice will not be accepted.
- Chasing Fireflies considers the purchase order a contract and will pay based on the cost on the confirmed purchase order.
- Chasing Fireflies may accept over shipments of product at their discretion. If the overage units are elected to be received, they will be accepted at 50% of the invoiced cost. Units that are not accepted will be returned to the vendor at their cost.
- No freight charges will be paid on any vendor invoice.
- Vendor should be using Chasing Fireflies required freight companies and Chasing Fireflies will pay approved freight invoices directly to freight companies.

- **The invoice must include:**
  A. Invoice number (number must be unique)
  B. Invoice Date (date of shipment)
  C. Chasing Fireflies Purchase Order Number
  D. Payment Terms, as indicated on the P.O.
  E. Cost, Extended Cost and Total Amount of Invoice
  F. Total number of cartons included on this invoice
  G. Total units shipped on invoice
  H. Breakdown of Chasing Fireflies item number, description, color & size
    - Number of units per style
    - Unit Cost per style
    - Total Cost per style
    - Total Quantity of units shipped
    - Total Cost of invoice
  I. Ship-To Address as stated on the P.O.
  J. Name of Carrier and Pro Bill Number
  K. Tracking number (provided by carrier)
  L. Vendor company name, mailing address, phone number and email address
  M. Factor name, mailing address, phone number and email address (if applicable)

- If invoice is payable to a factor, the invoice must be stamped showing the appropriate factor name and remit to address.
- Chasing Fireflies does not pay invoices for sample products.
- If there is a change to your remit-to address, it must be reflected on your invoice. We will only pay to the remit-to name and address on your invoice.

By following the above guidelines, you help assure prompt payment of invoices.
If you have questions, please contact the **Accounts Payable Dept – (877) 333-1049**
Sample Requirements:

When a product has been chosen for inclusion in the catalog, the vendor will furnish Chasing Fireflies with samples as outlined below. All samples are considered a cost of doing business and should be furnished and sent to Chasing Fireflies at the vendor’s expense. All purchase orders are contingent upon Chasing Fireflies receiving a sample that is visually correct for fit, color and overall appearance in a size that is acceptable to Chasing Fireflies. Vendor must provide full product information as requested on the Merchandise Product Fact Sheet (see Exhibit C).

Photo Sample: This sample will be used for photography. It must reflect the correct color, size and trims.

Send Photo Samples to:
Merchandise Sample Department
Chasing Fireflies
835 South Fidalgo Street
Seattle, WA 98108

Chasing Fireflies owns the rights to the product photography/images created to generate sales for our catalogs and website. Vendors cannot use them for their own purposes.
Quality Assurance Program

The Chasing Fireflies Customer Guarantee:
Every product sold in the Chasing Fireflies®/Wishcraft®/Wishworks® catalogs and on the website adheres to the following guarantee:

Our Carefree Guarantee
We’ve taken great care in selecting magical children's products that will (we hope) charm, surprise and delight. We love each and every one—and sincerely hope you will, too. If for any reason you aren’t 100% pleased with any product you receive, you may return it within 60 days of the purchase date and we’ll gladly refund the full cost of the item—no questions asked.

Chasing Fireflies Merchandise Standards:
Chasing Fireflies has chosen you as a vendor to uphold our customer guarantee by understanding and executing our rigorous standards. We are committed to offering high quality, unique products at excellent value to our customers. Chasing Fireflies only accepts first quality merchandise from our vendors. Vendors must completely understand these requirements when they accept and confirm merchandise orders:

- **Quality:**
  Vendors must make every possible effort to ensure the quality of all merchandise produced for Chasing Fireflies. Products are to meet the merchandiser’s specifications and match approved photo samples. Also, merchandise must meet all U.S. government regulations for health and safety and be compliant to CPSIA.

- **Packaging/Marking:**
  All products must meet Chasing Fireflies’ minimum specifications as outlined in this Vendor Compliance Manual. Any violations to our requirements which have not been approved by an inventory planner in advance will result in a charge back.

- **Delivery:**
  Manufacturers must meet delivery dates specified upon the approved purchase order. Late deliveries, which have not been approved by an inventory planner in advance, will result in a penalty. If late items are kept by CF, the vendor will still be liable for all actual backorder costs incurred. This penalty can include a discount, separate shipping fee, or refusal of the purchase order without liability for cost of goods.
Receiving RTV / Rejected Merchandise Procedure:

Any goods that fail inspection due to inferior quality, incorrect product, damages in transit due to packaging, or incorrect packaging or labeling will be subject to a vendor charge back. This may include a total replacement or credit for defective merchandise. We will charge you for the direct cost of labor incurred for 100% inspections. Vendor will be notified within 10 business days from the purchase order audit or the actual scheduled receipt date, whichever date is later.

If defective merchandise is shipped, Chasing Fireflies will contact the vendor for a RA# or voice authorization to return the goods.
All Return to Vendor correspondence should be addressed to: Nellie@chasing-fireflies.com
Vendors will have ten (10) business days to respond if they want the product
a) Returned at their expense (and issue a call tag) or
b) Donated to a local charity.
If the vendor doesn’t respond with a disposition within ten (10) business days, the product will be donated to a local charity and a credit memo will automatically be generated against the open invoice.
Vendors are required to pay for the return freight. If replacement merchandise is sent, it must be shipped immediately and the vendor will pay for the shipping of this merchandise.

Customer Returns RTV / Rejected Merchandise Procedure:
Any goods returned from the Chasing Fireflies customer with vendor manufacturing defects will be consolidated and follow the same procedures as a purchase order receiving defect.
Glossary

AIRHOLE – a punch hole, flutter/butterfly vent or pinhole in a polybag to allow it to breathe.

CF – abbreviation for Chasing Fireflies.

CF STYLE # - five (5) numeric digits that represent the unique identifier for a product silhouette.

CF COLOR CODE – three (3) characters representing CF’s color for the product (eg. GRE = Green)

CF SIZE CODE – variable length characters/numbers that represent a size scale (eg. S, M, L, XL or 12M, 2, 2T, 4, 6, 8 10, 12)

E.C.T. – Edge Crush Test. A strength measurement for corrugated boxes, usually imprinted on the bottom of the box. It indicates the amount of downward pressure a box can withstand before crushing.

G.O.H. – Garment On Hanger

HARDGOODS – products where their shape does not adjust to the object they are placed in. Examples include toys, food/candy items, beauty care products and shoes.

RA – Return Authorization from the vendor acknowledging the return of goods. Authorization can take the form of a number, email or voice confirmation.

RTV – Return To Vendor. Merchandise that will be returned to the vendor.

CHASING FIREFLIES

VENDOR AGREEMENT

Acknowledgement Form & Contact Information

Instructions: Once you have completely reviewed the Chasing Fireflies Vendor Compliance Manual, please return this sheet, completed and signed below to:

VendorCompliance@chasing-fireflies.com
206.574.4526 (office)
206.574.4503 (fax)

In order to proceed with your product in the catalog production schedule, we must have this signed sheet back for our files within 5 business days.

Thank you!

Vendor Name: ____________________________
Vendor Address: ____________________________
__________________________
__________________________

Vendor Phone: ____________________________
Vendor Fax: ____________________________
Vendor Email: ____________________________

Sales Rep Name: ____________________________
Sales Rep Address: ____________________________
__________________________
__________________________

Sales Rep Phone: ____________________________
Sales Rep Email: ____________________________

I have received and read the Chasing Fireflies Vendor Compliance Manual. I agree to comply with the described terms and conditions.

Signature: ____________________________
Print Name: ____________________________
Title: ____________________________
Date: ____________________________
# EXHIBIT B – Chasing Fireflies Address & Contact List

<table>
<thead>
<tr>
<th>Department</th>
<th>Name</th>
<th>Direct Dial</th>
<th>Fax</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Ship</td>
<td>Heidi Kelly</td>
<td>205-574-4584</td>
<td>205-574-4501</td>
<td><a href="mailto:DirectShip@chasing-fireflies.com">DirectShip@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>Finance</td>
<td>Kim Wilkes</td>
<td>205-574-4558</td>
<td>205-574-4503</td>
<td><a href="mailto:kim.wilkes@chasing-fireflies.com">kim.wilkes@chasing-fireflies.com</a></td>
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<tr>
<td>Accounts Payable</td>
<td></td>
<td>877-333-1049</td>
<td></td>
<td><a href="mailto:Cff-AP@cornerstonebrands.com">Cff-AP@cornerstonebrands.com</a></td>
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<tr>
<td>Inventory Management</td>
<td>Kathy Evans</td>
<td>205-574-4561</td>
<td>205-574-4501</td>
<td><a href="mailto:kathleen.evans@chasing-fireflies.com">kathleen.evans@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>(Wishcraft®/Costumes)</td>
<td>Cathy Fox</td>
<td>205-574-5034</td>
<td>205-574-4501</td>
<td><a href="mailto:rakhi@chasing-fireflies.com">rakhi@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>(Wishworks®/Party)</td>
<td>Alena Fitzpatrick</td>
<td>205-574-5032</td>
<td>205-574-4501</td>
<td><a href="mailto:alena.fitzpatrick@chasing-fireflies.com">alena.fitzpatrick@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>(Chasing Fireflies®)</td>
<td>Sandra Metz</td>
<td>205-574-4560</td>
<td>205-574-4501</td>
<td><a href="mailto:sandra.metz@chasing-fireflies.com">sandra.metz@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>(Chasing Fireflies®)</td>
<td>Sharon Walden</td>
<td>205-574-5041</td>
<td>205-574-4501</td>
<td><a href="mailto:sharon@chasing-fireflies.com">sharon@chasing-fireflies.com</a></td>
</tr>
<tr>
<td>(Chasing Fireflies®)</td>
<td>Marcella Brynton</td>
<td>205-574-4554</td>
<td>205-574-4501</td>
<td><a href="mailto:marcella@chasing-fireflies.com">marcella@chasing-fireflies.com</a></td>
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<td>(Chasing Fireflies®)</td>
<td>Marc Scott</td>
<td>205-574-4530</td>
<td>205-574-4501</td>
<td><a href="mailto:marco@chasing-fireflies.com">marco@chasing-fireflies.com</a></td>
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<tr>
<td></td>
<td>Malysse Chebot</td>
<td>205-574-5027</td>
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<td><a href="mailto:malysse@chasing-fireflies.com">malysse@chasing-fireflies.com</a></td>
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<td>Rosie McKnight</td>
<td>205-574-5043</td>
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<td><a href="mailto:rosie@chasing-fireflies.com">rosie@chasing-fireflies.com</a></td>
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<td>Cori Schnelz</td>
<td>205-574-4594</td>
<td>205-574-4501</td>
<td><a href="mailto:cori@chasing-fireflies.com">cori@chasing-fireflies.com</a></td>
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<tr>
<td></td>
<td>Hans Mehanovic</td>
<td>206.574.4577</td>
<td>205-574-4501</td>
<td><a href="mailto:hans@chasing-fireflies.com">hans@chasing-fireflies.com</a></td>
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<tr>
<td>(Wishcraft®/Costumes)</td>
<td>Stephanie Wilson</td>
<td>206-574-5047</td>
<td>206-574-4501</td>
<td><a href="mailto:stephanie@chasing-fireflies.com">stephanie@chasing-fireflies.com</a></td>
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<td>Rakhi Rastogi</td>
<td>206-574-4556</td>
<td>206-574-4501</td>
<td><a href="mailto:rakhi@chasing-fireflies.com">rakhi@chasing-fireflies.com</a></td>
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<tr>
<td>(Wishworks®/Party)</td>
<td>Kelly Smith</td>
<td>205-574-5033</td>
<td>205-574-4501</td>
<td><a href="mailto:kelly@chasing-fireflies.com">kelly@chasing-fireflies.com</a></td>
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<td>Heather Saldivar</td>
<td>205-574-5040</td>
<td>205-574-4501</td>
<td><a href="mailto:heather@chasing-fireflies.com">heather@chasing-fireflies.com</a></td>
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<tr>
<td>Production</td>
<td>Amy Boles</td>
<td>206-574-4583</td>
<td>206-574-4501</td>
<td><a href="mailto:amy.boles@chasing-fireflies.com">amy.boles@chasing-fireflies.com</a></td>
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<tr>
<td>Operations</td>
<td>Tamra Lees</td>
<td>205-574-4590</td>
<td>205-574-4506</td>
<td><a href="mailto:tamra@chasing-fireflies.com">tamra@chasing-fireflies.com</a></td>
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<tr>
<td>Technology</td>
<td>Billy Wenzel</td>
<td>205-574-4528</td>
<td>205-574-4501</td>
<td><a href="mailto:billy@chasing-fireflies.com">billy@chasing-fireflies.com</a></td>
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<tr>
<td>Vendor Compliance</td>
<td>Nellie Hernandez</td>
<td>205-574-4540</td>
<td>205-574-4501</td>
<td><a href="mailto:VendorCompliance@chasing-fireflies.com">VendorCompliance@chasing-fireflies.com</a></td>
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</tr>
<tr>
<td>Inbound / Freight</td>
<td>Wendy Wilson</td>
<td>513-603-1023</td>
<td>513-603-1481</td>
<td><a href="http://www.wilson@cornerstonebrands.com">www.wilson@cornerstonebrands.com</a></td>
</tr>
<tr>
<td><strong>Freight Routing Guide</strong></td>
<td></td>
<td></td>
<td></td>
<td><a href="http://www.ccpcinc.com/chasing-fireflies.htm">www.ccpcinc.com/chasing-fireflies.htm</a></td>
</tr>
<tr>
<td>Purchase Order VendorNet Web App</td>
<td>Vendor Technology Group</td>
<td>513-603-1271</td>
<td></td>
<td><a href="mailto:uta@cornerstonebrands.com">uta@cornerstonebrands.com</a></td>
</tr>
<tr>
<td><strong>How to Use documentation</strong></td>
<td></td>
<td></td>
<td></td>
<td><a href="http://www.ccpcinc.com/chasing-fireflies.htm">www.ccpcinc.com/chasing-fireflies.htm</a></td>
</tr>
<tr>
<td>Product Returns / RTVs</td>
<td>Nellie Hernandez</td>
<td>205-574-4540</td>
<td>205-574-4501</td>
<td><a href="mailto:nellie@chasing-fireflies.com">nellie@chasing-fireflies.com</a></td>
</tr>
</tbody>
</table>
**EXHIBIT C – Merchandise Fact Sheet**

<table>
<thead>
<tr>
<th>PRODUCT INFORMATION SHEET</th>
</tr>
</thead>
</table>

**COMPANY NAME:**

**LABEL NAME:**

**ITEM NAME:**

**ITEM DESCRIPTION:**

**COLORS:**

<table>
<thead>
<tr>
<th>ORDER QUANTITY:</th>
</tr>
</thead>
</table>

**CONTENT:**

(including % of each fiber, i.e. 75% cotton, 25% spandex)

**PLEASE PLACE AN X IN THE CORRECT BOX:**

- COUNTRY OF ORIGIN: [ ] MADE IN USA  [ ] IMPORTED

- COUNTRY: [ ]

- CARE LABEL: [ ] HAND WASH  [ ] MACHINE WASH  [ ] DRY CLEAN  [ ] OTHER

**PLEASE LIST FEATURES & BENEFITS OF THIS PRODUCT THAT WE MAY WANT TO INCLUDE IN CATALOG COPY (EX. REVERSIBLE, GLOW-IN-THE-DARK, ADJUSTABLE WAIST, ETC.):**

**THIS PRODUCT EXCLUSIVE FOR CHASING FIREFLIES:** [ ] YES [ ] NO

**ABOVE - ONLY USE ANOTHER STYLE # IF EXACT ITEM BUT STYLE NUMBER CHANGES FOR SIZE RANGE. IF THERE ARE PRICE BREAKS BETWEEN SIZES, LIST EACH:**

**FOR HAND GOODS PLEASE PROVIDE MEASUREMENTS:**

<table>
<thead>
<tr>
<th>STYLE #:</th>
<th>SEAS</th>
<th>LENGTH</th>
<th>COLOR(S):</th>
<th>WHOLESALE PRICE</th>
<th>MAP:ME/PP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SHIPPING INFORMATION - THIS SECTION MUST BE FILLED OUT IN ORDER TO RECEIVE YOUR ORDER:**

| PRODUCT PACKAGING: | [ ] POLYBAG  [ ] HANGER (REQUIRES APPROVAL)  [ ] BOX  [ ] OTHER  [ ] EXPLAIN |

**PACKAGING MEASUREMENTS (IN):**

<table>
<thead>
<tr>
<th>LENGTH</th>
<th>WIDTH</th>
<th>HEIGHT</th>
<th>WEIGHT</th>
<th>TOTAL</th>
</tr>
</thead>
</table>

**CPSCA COMPLIANT? CERTIFIED SAFE FOR CHILDREN AS SPECIFIED BY CPSCA – MUST HAVE CERTIFICATION IF NEEDED:**

**CPSCA COMPLIANT: ** [ ]

**ANY WARNINGS OR AGE LIMITATIONS REQUIRED FOR THIS PRODUCT:**

**NAME:**

**CONTACT PHONE:**

**DATE:**

**CONTACT EMAIL:**

**IMPORTANT: YOU MUST INSERT A SHARPLY FOCUSED, COLOR PHOTO BELOW PLEASE PLACE YOUR ITEM ON A WHITE BACKGROUND - PHOTO FRONT AND BACK:**

**NOTES:**

---

Chasing Fireflies – Vendor Compliance Manual  
Page 35 of 39  
1/7/2015
EXHIBIT D - Certificate of Liability Insurance

<table>
<thead>
<tr>
<th>INSURERS AFFORDING COVERAGE</th>
<th>NAIC #</th>
</tr>
</thead>
<tbody>
<tr>
<td>INSURER A</td>
<td></td>
</tr>
<tr>
<td>INSURER B</td>
<td></td>
</tr>
<tr>
<td>INSURER C</td>
<td></td>
</tr>
<tr>
<td>INSURER D</td>
<td></td>
</tr>
<tr>
<td>INSURER E</td>
<td></td>
</tr>
</tbody>
</table>

### Coverages

The policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Aggregate limits shown may have been reduced by paid claims.

<table>
<thead>
<tr>
<th>INHERENT LIMITS</th>
<th>TYPE OF INSURANCE</th>
<th>POLICY NUMBER</th>
<th>POLICY EFFECTIVE DATE (MM/DD/YYYY)</th>
<th>POLICY EXPIRATION DATE (MM/DD/YYYY)</th>
<th>LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL LIABILITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COMMERCIAL GENERAL LIABILITY CLAIMS MADE</td>
<td>OCCUR</td>
<td>EACH OCCURRENCE</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DAMAGED TO RENTED PROPERTY - INSURED</td>
<td></td>
<td>DAMAGE TO RENTED PROPERTY - INSURED</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>MED EXP (Any one person)</td>
<td></td>
<td>MEDICAL EXPENSE</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PERSONAL &amp; ADJ INJURY</td>
<td></td>
<td>PERSONAL &amp; ADJACENT INJURY</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>GENERAL AGGREGATE</td>
<td></td>
<td>GENERAL AGGREGATE</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>PRODUCTS COMPOUNDED AGG</td>
<td></td>
<td>PRODUCTS COMPOUNDED AGG</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>AUTOMOBILE LIABILITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ANY AUTO</td>
<td></td>
<td>COMBINED SINGLE LIMIT (Ex. accident)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ALL OWNED AUTOS</td>
<td></td>
<td>BODILY INJURY (Per person)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SCHEDULED AUTOS</td>
<td></td>
<td>BODILY INJURY (Per accident)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HIRED AUTOS</td>
<td></td>
<td>PROPERTY DAMAGE (Per accident)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NON-OWNED AUTOS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GARAGE LIABILITY</td>
<td></td>
<td>AUTO ONLY - EA ACCIDENT</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ANY AUTO</td>
<td></td>
<td>OTHER THAN AUTO</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>EXCESS UMBRELLA LIABILITY</td>
<td></td>
<td>AUTO ONLY- AGG</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>OCCUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CLAIMS MADE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>DEDUCTIBLE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EXTENSION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WORKERS COMPENSATION AND EMPLOYER'S LIABILITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ANY PROCTOR'S PARTNERS/EXECUTIVE OFFICER/OWNER EXCLUDED</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IF YES, DESCRIBE UNDER SPECIAL PROVISIONS BELOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OTHER</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Description of Operations/Locations/Vehicles**: Exclusions added by endorsements/special provisions.

### Certificate Holder

Chasing Fireflies LLC
835 South Fidalgo Street
Seattle, WA 98108

**Certificate Cancellation**

Should any of the above described policies be canceled before the expiration date thereof, the issuing insurer will endeavor to mail, 30 days prior written notice to the certificate holder named to the left, but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives.

Authorized Representative
CASE NARRATIVE

Work Order Number: 0901009:

SAMPLE RECEIPT
Five (5) children's garments were received on January 23, 2009 for total lead determination. Based on discussions with the client, eight (8) specific samples were selected for analysis. The sample IDs describe the samples that were digested and analyzed.

SAMPLE PREPARATION
Samples for total lead determination were subjected to a closed vessel nitric bomb digest prior to analysis.

SAMPLE ANALYSIS
Total lead was analyzed in digested samples by inductively coupled plasma mass spectrometry (ICP-MS) according to method FGS-054 (based on EPA 1638).

ANALYTICAL AND QUALITY CONTROL ISSUES
A Certified Reference Material (NIST 1515 Apple Leaves) was digested and analyzed in duplicate along with the samples. The recoveries were in control demonstrating the success of the digestion on a similar matrix.

A reporting limit of 60 mg/kg (ppm) was used for this project; our normal reporting limit for this matrix is 0.015 mg/kg.

Frontier GeoSciences, Inc.

Amy L. Dahl, PhD, Project Manager Supervisor

The results in this report only apply to the samples analyzed in accordance with the chain of custody document. This analytical report cannot be reproduced in its entirety.

Lead Analytical Results

<table>
<thead>
<tr>
<th>Sample Name</th>
<th>Result</th>
<th>MRL</th>
<th>Unit</th>
<th>Dilution</th>
<th>Batch</th>
<th>Prepared</th>
<th>Sequence</th>
<th>Analyzed</th>
<th>Preparation</th>
<th>Method</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>red buttons</td>
<td>ND</td>
<td>66.5</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>green elastic</td>
<td>ND</td>
<td>62.3</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>green cotton</td>
<td>ND</td>
<td>60.1</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>red velour</td>
<td>ND</td>
<td>62.5</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>grey satin trim</td>
<td>ND</td>
<td>58.7</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>navy spandex swatch</td>
<td>ND</td>
<td>62.1</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
<tr>
<td>pink polka dot swatch</td>
<td>ND</td>
<td>60.1</td>
<td>mg/kg</td>
<td>10</td>
<td>F001149</td>
<td>01/30/09</td>
<td>9B01002</td>
<td>02/01/09</td>
<td>Teflon Concentrated Nitric Tissue Digestion</td>
<td>FGS-054</td>
<td>U</td>
</tr>
</tbody>
</table>
Shipping a package to Chasing Fireflies

Below outlines how to easily set up a shipping account with UPS online.

1. Log onto www.UPS.com
2. At the home page register for a user name and password—(*if you don’t already have one)
3. If you do not have a shipper number, you will need to get one
   a. To open an account you can call 800-742-5877 or go to “Open a Shipping Account”
4. Log in and click on “Shipping” tab
5. Click on “Create a Shipment”
6. Fill in Ship to address:
   a. (Chasing Fireflies 8877 Union Center Blvd, West Chester, OH 45069)
7. Fill in Shipper info as yourself; * set up your account number here to save for future
8. If necessary to schedule a pick up, check the box
9. Payment information
   Pull down to “Receiver” - this will allow you to bill Chasing Fireflies for this shipment
10. Fill in all “Shipment information” such as service, package, weight, reference #, etc
11. Click “Ship Now”
12. The next screen will ask for the receiver’s UPS shipper number
   ** (use 60Y80W for Chasing Fireflies)
13. It will also ask for receiver's postal code (45069)
14. Click “Next”
15. This will create your label and your shipment will have been processed
16. Print your label and tape it securely to the box

If you have any questions, please call UPS technical support at 888-553-1118 or Customer Service at 800-PICKUPS.

Chasing Fireflies  **Freight Collect** account number is 60Y80W
Exhibit G – Purchase Order Example

## Purchase Order

**Chasing Fireflies**

**Ship To:** CHASING FIREFLIES
8077 UNION CENTER BLVD.
West Chester, OH 45069

**Bill To:** CHASING FIREFLIES
PO Box 1037
West Chester, OH 45074-1037

**Vendor #:** TED
TOTO DUO MARIA

<table>
<thead>
<tr>
<th>PO Date</th>
<th>Terms</th>
<th>Ship VIA</th>
<th>F.O.B.</th>
<th>Deliver By Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/15/2014</td>
<td>See Routing Guide</td>
<td></td>
<td></td>
<td>08/01/2014</td>
</tr>
</tbody>
</table>

### Special Instructions:
- PLEASE CONFIRM PO RECEIPT TO CATHY TOWNSEND (513-463-5154)
cathy.townsend@chasingfireflies.com
- PLEASE LABEL ALL CASES WITH PRODUCT NUMBER AND QUANTITY
- NET 30

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Vendor Model No.</th>
<th>Vendor Description</th>
<th>Qty Ordered</th>
<th>Unit Cost</th>
<th>Ext. Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>465859M10100</td>
<td>TCK12512-MKSN</td>
<td>FIT TO BE TIED DRESS</td>
<td>42</td>
<td>$104.00</td>
<td>$4,368.00</td>
</tr>
<tr>
<td>465599M10440</td>
<td>TCK12512-MKLS</td>
<td>FIT TO BE TIED DRESS</td>
<td>42</td>
<td>$104.00</td>
<td>$4,368.00</td>
</tr>
<tr>
<td>465599M10469</td>
<td>TCK12512-MKLS</td>
<td>FIT TO BE TIED DRESS</td>
<td>68</td>
<td>$104.00</td>
<td>$7,072.00</td>
</tr>
<tr>
<td>465599M10689</td>
<td>TCK12512-MKLS</td>
<td>FIT TO BE TIED DRESS</td>
<td>52</td>
<td>$104.00</td>
<td>$5,408.00</td>
</tr>
</tbody>
</table>

**Purchase Order Total** $21,216.00