



To: Our new Drop Ship Vendor
Re: Drop Ship Vendor Expectations and Terms and Conditions

At TravelSmith, the customer comes first. We work hard to provide the finest quality products and level of service that is second to none. As a valued partner, we're sure you share our philosophy and will work with us to meet that goal.

TravelSmith requires all Drop Ship vendors to use our web-based system called Vendor Net (VN) or EDI. Vendor Net will allow you to easily receive your orders, confirm that orders have shipped, automatically invoice and modify the estimated ship dates if needed to comply with FTC rules. Vendor Net is free and simple to use.

The next few pages include detailed information regarding drop ship vendor expectations, including ship methods, returns processing and customer service contact information, as well as TravelSmith's drop ship vendor terms and conditions. Additionally, checklists for Vendor Net, EDI and a drop ship vendor information forms are included to complete and either e-mail or fax to the TravelSmith Corporate office to initiate the set-up process, including VN training. To ensure we are FTC compliant, it is imperative that you provide the correct **estimated ship date** (ESD) and that date **must be** adhered to when shipping and confirming orders. Specific details regarding estimated ship date requirements and modifications are included in this document.

Please complete and sign the enclosed Forms and Setup Checklists, appropriate for your set up type, as well as sign and return the Drop Ship Vendor Expectations and Terms and Conditions to my attention at dropshipliaison@TravelSmith.com or Fax 513-645-4180 within 3 business days.

We look forward to working with you!

Best regards,

Heather McGrew-Ritz
Inventory Manager
Phone: 415 798 3052
Fax: 513 645 4180
dropshipliaison@travelsmith.com

Drop Ship Vendor Expectations and Terms and Conditions

The following vendor expectations and terms and conditions (collectively, "Agreement") apply to all products and/or services (the "Product(s)") described in TravelSmith's ("TravelSmith") purchase order ("Order") issued by TravelSmith and accepted by the undersigned seller ("You," "Your") that are identified as being for drop shipment.

Vendor Expectations - Vendor Net

Orders & ESD (Estimated Ship Date)

Upon notification of customer orders in Vendor Net (VN), you must acknowledge orders by printing out the order from Vendor Net and verify accuracy of estimated ship date (ESD). This must be done within one business day of receiving your email of order notification from purchasing@travelsmith.com.

- Prior to shipping, always check VN to verify any changes that may have occurred since acknowledgement (i.e. cancellation, address change, etc)
- Order is shipped via appropriate ship method (see below).
- Ship confirmation in VN must be completed within 24 hours of order leaving warehouse to update order system and A/P. You should have a tracking /PRO # to use when ship confirming once the carrier has possession of the shipment (do not ship confirm prior to the shipment being handed off to the carrier).
- The day the order is invoiced starts the day count for the Terms of payment (i.e. Net 45, etc).
- If the order will not ship by the ESD, you must contact TravelSmith Drop Ship Liaison (dropshipliaison@travelsmith.com) as well as update Vendor Net with the new ESD to ensure FTC compliance and avoid automatic order cancellation. When a change to the ESD is needed, please make the modification 8 days prior to the original ESD. Information/Instructions regarding date modification can be found on our vendor website <http://ccsginc.com/travel.htm> under "Drop Ship Information".
- Orders beyond original or modified ESD not fulfilled, are subject to cancellation. If they are shipped without verification in Vendor Net and the order has been cancelled, payment may be held until a resolution can be reached.

Inventory & Availability

- Vendor Net has the capability to access nightly inventory feeds via csv file, which feeds into our database and generates ESDs when our customer places their orders. Daily upload of inventory availability (on hand and purchase orders) are expected and this needs to be uploaded every business day no later than 5pm PST.

Vendor Expectations – EDI

Orders & ESD (Estimated Ship Date)

You will receive orders via EDI file 850.

- Order is shipped via appropriate ship method (see below).
- Ship confirmation in VN must be completed within 24 hours of order leaving warehouse to update order system and A/P. You should have a tracking /PRO # to use when ship confirming once the carrier has possession of the shipment (do not ship confirm prior to the shipment being handed off to the carrier). These should be processed through EDI file 810
- The day the order is invoiced starts the day count for the Terms of payment (i.e. Net 45, etc).
- If the order will not ship by the ESD, you must contact TravelSmith Drop Ship Liaison (dropshipliaison@travelsmith.com) as well as update Vendor Net with the new ESD to ensure FTC compliance and avoid automatic order cancellation. When a change to the ESD is needed, please make the modification 8 days prior to the original ESD. Information/Instructions regarding date modification can be found on our vendor website <http://ccsginc.com/travel.htm> under "Drop Ship Information".
- Orders beyond original or modified ESD not fulfilled, are subject to cancellation. If they are shipped without verification in Vendor Net and the order has been cancelled, payment may be held until a resolution can be reached.

Inventory & Availability

- VendorNet has the capability to access nightly inventory feeds via EDI file 846, which feeds into our database and generates ESDs when our customer places their orders. Daily upload of inventory availability (on hand and purchase orders) are expected and this needs to be uploaded every business day no later than 5pm PST.

Order Shipment Method – All Drop Ship vendors

Shipments to customers should be made via UPS. You must use the TravelSmith UPS account number; this allows us to track orders. Terms are third-party billing; do not ship consignee billing. The account number is **A3A384**. Additional information is available on the vendor website at <http://ccsginc.com/travel.htm> in the "drop ship routing guide". You will

be responsible for filing claims and tracers for UPS lost or damaged freight as you are the shipper of record (just billing third party).

Customer Order Questions/Cancellations

Please address any customer order-specific questions such as missing customer information, customer phone numbers, clarification on a customer order, etc. to the TravelSmith Customer Service drop ship group.

Call: 800-230-0174, Option 2 or **Email:** Dropship@travelsmith.com

Please provide details of the order including the customer's name, order number, reason for inquiry and your contact information. One of the representatives will respond within one business day.

If a customer requests cancellation of their order **prior to the ESD**, the drop ship department will contact the vendor to ensure the item hasn't shipped; the order will then be cancelled in Vendor Net by the TravelSmith Drop Ship Customer Service team and the customer will be notified. If the order was shipped, the customer will be instructed to refuse delivery and the item will be returned to you for a credit.

If you have modified the ESD and the customer chooses not to wait and cancels their order, the drop ship department will communicate this information to you. However, if the vendor has missed shipping by the ESD or modified the original date and that date has passed, the order will be cancelled in VN by the TravelSmith Customer Service Drop Ship team and you will not be able to ship confirm or invoice; consequently, no payment will be made for the goods should they be shipped. Additionally, charge backs may be applied for not meeting the vendor commitment for fulfilling the order. 50% of the cost or \$50 (whichever is less) will be charged pending review by the TravelSmith drop ship Sr. Control Buyer. Vendors who change their ESD's more than once on an order will also be subject to the same charge back schedule.

Returns and Defective Merchandise

All customer returns will be sent directly to the vendor's return address.

1. If the customer decides they don't like the item, it will be returned to your warehouse and a debit issued for the product cost only.
2. If a customer refuses an item with the freight company, or UPS returns a delivery to you, a debit will be issued for the cost of the item.
3. If the customer's return is defective merchandise, a debit will be issued by TravelSmith for the cost of the item along with shipping charges both ways.
4. If the customer's return is due to the wrong items being shipped, a debit issued for product cost and shipping both ways.
5. Please note, when a return is due to defective product or wrong item sent, do not send out a replacement order on your own. Please notify the Drop Ship Customer Service Dept. 800-230-0174, Option 2 or dropship@travelsmith.com). If the customer requests a replacement, a new order will be placed and resent to you via Vendor Net.

Classification of Defects

Defects occur in varying degrees. Minor defects are acceptable; Major or Critical defects are rejected. Defect acceptability is based on the effect the damaged product will have on the customer. Price, end use, materials and construction of a product dictate different levels of acceptance by the TravelSmith customer. Defects are classified as follows:

1. **Minor Defect**

the product serviceability or wearability is not affected. If noticed by the customer, would not cause any objection. The defect will not affect the comfort or fit of the product.

2. **Major Defect**

A product would be rendered unusable. The defect would adversely affect the serviceability of the product or shorten the life of the product. The defect would be obvious to the customer and would result in a return.

3. **Critical Defect**

The product would definitely be unusable, or would require early repair or replacement. The defect will cause a product to be uncomfortable, not fit or may cause an injury to the consumer. A product with a critical defect would most assuredly result in a return.

PRODUCT ZONES

The position of a construction defect or flaw may determine the acceptance or rejection of a product. The area on a product and the visibility to the customer defines zones. Each product has specific zones that are more important than others and guidelines are defined accordingly.

ZONE 1

Areas of a product with extremely high visibility and are likely to be viewed from a close distance at the time of purchase or receipt. Minor flaws in this area may be classified as Major and would be cause for rejection of the product.

ZONE 2

Areas of the product that are not visibly dominant, but are seen in normal use. Minor flaws in this area would be evaluated based upon size, color and intended use of the product to determine acceptability.

ZONE 3

An area of the product not seen in normal everyday use. Minor or cosmetic flaws are more acceptable here than in any other area of the product. Flaws will be evaluated by product and intended end use.

GENERAL DEFECTS

- Soilage-oil marks, spots, ink, rings left after cleaning soil
- Any measurement not as specified or out of tolerance
- Any item not conforming to construction specifications
- Substitute or missing parts, unless pre-approved by TravelSmith
- Shaded parts
- Marked "seconds"

Color off standard-must be within acceptable shade bands when available

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).

REGULATION SUMMARY:

- Section 14(a)(1) of the Consumer Product Safety Act, as recently amended by the CPSIA, requires a *General Certification of Conformity* "GCC" 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. This form can be downloaded from our vendor site <http://ccsginc.com/travel.htm>.
- 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.
- TravelSmith expects ALL import & domestic vendors to 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).
- Refer to website for CPSC Regulated Products list (www.cpsc.gov/businfo/reg.html).

IMMEDIATE VENDOR ACTIONS REQUIRED:

- **Vendors to begin sending a GCC for all applicable product shipments that were manufactured on or after November 12, 2008.**
- Vendor to provide the GCC along with other required import shipping documents.
 - **If TravelSmith is the Importer of Record:** the vendor is responsible to provide the TravelSmith issued GCC in their shipping documents to TravelSmith's forwarder.
 - **If TravelSmith is NOT the Importer of Record:** the vendor is responsible to provide the GCC in their shipping documents for import.
- The vendor must maintain records of the GCC issued for 5 years. GCC must be available upon request to TravelSmith within 24 hours of request.

2. VENDOR PRODUCING NON-TRAVELSMITH BRANDED PRODUCT

(national brands, vendor brands, market brands, no brands, etc.)

TravelSmith requires that NON-TravelSmith branded product vendors have an established, effective and compliant quality assurance and testing program that insures your products meet all U.S. safety & regulatory requirements as well as TravelSmith's standards.

IMMEDIATE VENDOR ACTIONS REQUIRED:

- Vendors to execute a GCC based on a reasonable testing program.
- Vendor to provide the GCC along with other required import shipping documents.
 - **If TravelSmith is the Importer of Record;** the vendor is held responsible to provide the GCC in their shipping documents to TravelSmith's forwarder.
 - **If TravelSmith is NOT the Importer of Record;** the vendor is held responsible to provide the GCC in their shipping documents for import.
- The vendor must maintain records of the GCCs issued for 5 years. GCC must be available upon request to TravelSmith within 24 hours of request.
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California's Proposition 65 – California Health & Safety Code Section 25214.1-25214.4.2

Proposition 65 (Prop 65) is a California law that was approved by California voters in a referendum in 1986. It requires the state to keep a list of chemicals that cause cancer or reproductive toxicity. If a product contains a chemical on the list, Prop 65 testing report must be provided. You can access the list of 800-plus chemicals on the California Office of Environmental Health Hazard Assessment website at http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html. Lead, phthalates and other common chemicals are on the Proposition 65 list.

Vendors must provide a test report including Prop 65 test data from a TravelSmith-approved independent testing laboratory. Additionally, all wallets, handbags, purses, clutches, totes, belts and footwear will need to be certified for Prop 65 compliance in regards to lead content. Please contact TravelSmith for specific requirements regarding testing requirements and implementation dates for manufacturing, shipping and importing.

Non-Solicitation. Without TravelSmith's prior written approval, You will not include Your address, telephone number, web site address, or other contact information in any packaging or labeling of the Products for the purpose of marketing or promoting any Products or services, other than customer or technical assistance services. Furthermore, You will not use, rent or sell customer contact information (e.g. mailing address, email, etc.) for the purpose of marketing to the customer.

Representations and Warranties. You represent and warrant to TRAVELSMITH that: (i) all information You provide to TRAVELSMITH is and will be true and correct; (ii) Your entering into this Agreement and the performance of Your obligations hereunder will not conflict with or be prohibited or restricted by any agreements or commitments with third parties; (iii) title to Products delivered to TRAVELSMITH will be free of all liens, claims, debts, and rights of third parties; (iv) the Products are and will be genuine and not adulterated, misbranded, or mislabeled; (v) the Products will not infringe upon any "Intangible Rights" (as defined below), and You are the owner of, or are licensed to authorize TRAVELSMITH to use, any and all Intangible Rights associated with the Products; (vi) the Products (and all components of the Products) will not be subject to any import quota, restriction, rule or regulation preventing the importation or sale of the Products or any component thereof; (vii) the Products will be new and not used, remanufactured, or reconditioned (unless otherwise approved by TRAVELSMITH, of consistent kind and quality, and free from all defects in material and workmanship; (viii) the Products will be safe and appropriate for the purpose for which products of that kind are normally used; (ix) all manufacturers' warranties are completely transferable, effective, and enforceable by the ultimate consumer; (x) the Products and all materials provided to TRAVELSMITH in connection with the marketing, promotion, distribution, and sale of such Products, including, without limitation, packaging, labeling, and advertising materials for such Products,

have been produced in compliance with all applicable federal, state and local laws, regulations, rules, guidelines, ordinances and standards ("Legal Requirements") in all locations throughout the "Territory" (as defined below) where the Products may be sold, and neither the Products nor their purchase or sale by TRAVELSMITH will violate any such Legal Requirements; (xi) the genuine origin of the Products will be stated on the Country of Origin Declaration, Invoice, Visa and other importation documents, and no shipment will be illegally transshipped from any other country; (xii) the Products have been manufactured in compliance with TRAVELSMITH's Code of Conduct for Manufacturers attached hereto as "Exhibit A" and incorporated herein by reference;(xiii) all components of all electrical products shipped to TRAVELSMITH customers will have been approved by Underwriters Laboratory, or such other safety laboratory approved by TRAVELSMITH in writing, prior to shipment to TRAVELSMITH; (xiv) all Products (including all components) intended for use by children will conform with all specifications of the American Society for Testing and Materials including ASTM F963-03 Standard Consumer Safety Specification; and (xv) except as disclosed to TRAVELSMITH in writing, the Products sold pursuant to TRAVELSMITH's Orders (and similar Products sold by You) have not been subject to any products liability claims. The term "Intangible Rights" means any United States or foreign patents or copyrights or any United States, foreign, state or common law trademark, trade dress, trade name, service mark, publicity or privacy right or similar property or other right. You represent, warrant, and agree that the Products may be re-sold by TRAVELSMITH and its affiliates in any location in which TRAVELSMITH and/or its affiliates market, sell, or distribute goods and/or services (the "Territory"). These representations and warranties are in addition to and without prejudice to all other warranties expressed or implied by law. TRAVELSMITH has specifically relied upon all of Your representations and warranties contained in this Agreement, and TRAVELSMITH will continue such reliance in issuing each Order as if such representations and warranties were made on the date of issuance of each Order. All of Your representations and warranties, both express and implied, will constitute conditions of sale, and will survive receipt, inspection, testing, acceptance, payment and use of the Products.

Insurance. You have and will keep in effect for five (5) years from the date of Your receipt of the applicable Order Information, full general/products liability insurance coverage in amounts not less than those required by Your "Insurance Class," as determined by TRAVELSMITH's risk management department ("TRAVELSMITH Risk Management") and, if applicable, Errors & Omissions insurance (or its equivalent) as set forth below:
Insurance Class Examples Insurance Requirements

I Apparel, Coins, Jewelry, Rugs, Table \$1,000,000 General/Products Liability per occurrence
Top Items, Textiles, Household Linens \$2,000,000 General/Products Liability aggregate

II Appliances, Beauty and Cosmetics, \$2,000,000 General/Products Liability per occurrence
Cleaning Products, Computers, Cookware, \$4,000,000 General/Products Liability aggregate
Electronics, Seasonal, Tools

III Active Fitness, Medical Devices, Toys, \$6,000,000 General/Products Liability per occurrence
Vitamins/Supplements, Pressure Cookers \$8,000,000 General/Products Liability aggregate

Such insurance coverage must cover all Products and services, as well as the actions and inactions of Your representatives, guests, hosts, agents, or other entourage. In addition to the foregoing Insurance Requirements, if: 1) You are offering any services; or 2) otherwise specifically warranted by Your individual circumstances, including, but not limited to, prior losses or claims history, whether with TRAVELSMITH or otherwise, You will also be required to provide \$1,000,000 Errors & Omissions (or its equivalent) per occurrence and 2,000,000 in the aggregate. All insurance required by TRAVELSMITH Risk Management must: (i) be maintained with an Insurance Company rated by A. M. Best as "A-VII" or better; (ii) name TRAVELSMITH, its direct and indirect parents, subsidiaries, affiliates, and assigns as Additional Insured; (iii) be submitted with a copy of the Additional Insured – Vendors Endorsement or the complete policy (or policies), in the English language; (iv) be primary and non-contributory to any other coverage available to TRAVELSMITH; and (v) be written on an occurrence-based policy (if a claims-made based policy is purchased, the retroactive date must be before the first Order is issued by TRAVELSMITH, and You must maintain a claims-made policy with that retroactive date for not less than 5 years from the date the last Goods are actually received by TRAVELSMITH). All of these Insurance Requirements must be demonstrated by submission of one or more Certificates of Insurance prior to the issuance of an Order, and no less frequently than annually thereafter upon the anniversary date of the applicable policy, throughout the duration set forth above. Deductibles or Self-insured Retentions may not exceed \$10,000 without the prior written consent of TRAVELSMITH Risk Management. These Insurance Requirements may be satisfied through a combination of primary, umbrella, or excess liability insurance policies. TRAVELSMITH Risk Management may, at its sole discretion, change the coverage limits and/or types of coverage required at any time.

Indemnity. You will assume full responsibility and will provide independent legal counsel reasonably acceptable to TRAVELSMITH for the defense of any claims, threatened actions, filed actions, suits, investigations or proceedings ("Claims") that may be brought against TRAVELSMITH or its affiliates, officers, employees, agents or assignees by reason or as a result of or relating to: (i) any actual or alleged violation or breach by You of any of Your representations,

warranties, covenants, or other obligations set forth in this Agreement or any Order; (ii) any actual or alleged infringement of any "Intangible Rights" or any actual or alleged unfair competition; (iii) any claim, representation or statement made in connection with advertising or promoting the sale of the Products by any of Your employees or agents or by any celebrity or other person provided or made available by You who is not an employee of TRAVELSMITH, or, to the extent consistent with or substantially based on information or materials provided by You, any claim, representation or statement made in connection with advertising or promoting the sale of the Products by any person whatsoever; (iv) any actual or alleged death of or injury to any person, damage to any property, or any other damage or loss, by whomsoever suffered, resulting or claimed to result in whole or in part from any actual or alleged defect in the Products, whether latent or patent, or the failure of such Products to comply with any express or implied warranties; and/or (v) any actual or alleged violation by the Products or their manufacture, possession, use or sale, of any law, statute or ordinance or any governmental order, rule or regulation. You will indemnify, defend and hold TRAVELSMITH and its affiliates, officers, employees, agents and assignees harmless from and against any and all liabilities, injuries, damages, settlements, royalties, penalties, fines and other losses of every kind and nature whatsoever, including without limitation all attorney fees and other costs and expenses, incurred by or imposed upon them as a result of or in connection with any such Claims, or as a result of or in connection with any recalls of Products, whether voluntary or involuntary, or any actions taken to comply with all laws, regulations, rules, guidelines, ordinances and standards governing the safety, labeling, advertising or invoicing of Products, or any actual or alleged failure to comply with any bulk sales law or similar law for the protection of creditors. No settlement of any such Claims may be made without TRAVELSMITH's prior written consent to the terms of settlement. TRAVELSMITH will have the right to participate in the defense of any such Claim at its own expense. If TRAVELSMITH notifies You of a Claim to which the foregoing indemnification obligation applies ("Claim Notice"), You shall provide prompt assurance of Your ability and intent to indemnify TRAVELSMITH, to TRAVELSMITH's reasonable satisfaction, and You shall commence to defend such Claim, at Your sole cost and expense, within five (5) days of said Claim Notice. If You fail to provide such assurance or fail to commence such defense within said five (5) day period, in addition to the other rights and remedies available to TRAVELSMITH at law or in equity, TRAVELSMITH may, at its option, assume the defense or settlement of such Claim in its own name, and all recoveries from such Claim shall belong to TRAVELSMITH, and all fees and costs (including reasonable attorney fees) in defending such Claim, and all damages or settlement costs arising therefrom, shall be Your sole responsibility.

Confidentiality. You will not advertise or publish the fact that TRAVELSMITH has contracted to purchase Products from You, and will not disclose any information relating to this Agreement or any Order to any third party. You will treat all information furnished by TRAVELSMITH, its parent, subsidiary, and affiliated companies as confidential and will not disclose any such information to any third party, or use such information for any purpose other than performing Your obligations under this Agreement, except that You may disclose such information solely: (i) to Your employees, accountants, independent contractors, agents, and attorneys on a need-to-know basis, provided the recipient of such information has executed appropriate written agreements to ensure the confidentiality of such information consistent with this Agreement; and (ii) under the terms of a subpoena or order issued by a court of competent jurisdiction or under a civil investigative demand or similar process, provided You agree (a) to promptly notify TRAVELSMITH of the existence, terms, and circumstances surrounding such a request, and (b) if You are, in the opinion of Your counsel, compelled to disclose a portion of such information, You disclose only that portion of the information that Your counsel advises that You are compelled to disclose, and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to such information. You will treat all information obtained from TRAVELSMITH's customers as confidential and will not disclose any such information to any third party, or use such information itself for any purpose other than performing Your obligations to TRAVELSMITH. Specifically, but without limitation, You will not use any information obtained from TRAVELSMITH or TRAVELSMITH's customers to offer for sale to such customers any goods or services. You will not issue any press or publicity release or statement relating to TRAVELSMITH, any of its affiliates or operations, this Agreement or any Order without the prior written approval of TRAVELSMITH. You acknowledge and agree that any communication between counsel for You and TRAVELSMITH, or between You or TRAVELSMITH or any of their principals, employees, contractors or representatives, and Your counsel or TRAVELSMITH is protected by all applicable privileges, including without limitation the attorney-client, work product and joint defense privileges. You will not waive any such privilege without the express written consent of TRAVELSMITH.

Entire Agreement; Amendment; Assignment. This Agreement, the Order(s), the SCRM and any other documents referred to herein or in the Order(s) constitute the entire agreement (collectively, the "Agreement") between You and TRAVELSMITH. This Agreement will be effective for all Products shipped pursuant to an Order. You accept and agree to be bound by the Agreement by shipping Products against or otherwise accepting an Order, and Your signature is not required for this Agreement to become effective. This Agreement sets forth the entire understanding and agreement of the parties with respect to the matter covered herein, superseding all prior and contemporaneous understandings and agreements, whether oral or written. This Agreement may not be modified or amended except by a written instrument executed by both parties, and each shipment received by customers will be deemed to be only upon the terms and conditions contained in this Agreement, notwithstanding any terms and conditions that may be contained in any of Your acknowledgements, invoices or other forms and notwithstanding TRAVELSMITH's or its customers' act of accepting or paying for any shipment or similar act of TRAVELSMITH or its customers. TRAVELSMITH has the right to assign this

Agreement, or all or any portion(s) of its rights and/or obligations hereunder, including, without limitation, the right to purchase, market and sell the Products, to any company directly or indirectly controlling, controlled by, or under common control with TRAVELSMITH, and this Agreement shall inure to the benefit of any such assigns. You may not assign any rights, obligations, and/or or claims under this Agreement without TRAVELSMITH's prior written consent, and any attempted assignment without consent will be void.

Audit Right. You will afford to TRAVELSMITH or to TRAVELSMITH's authorized representatives at all reasonable times and in all events within five (5) business days after request by TRAVELSMITH, the right of access to and inspection of, and to take excerpts from such parts of Your books, records, contracts and data processing procedures managed and maintained by You as relate to the reconciliation of accounts to TRAVELSMITH and to this Agreement. You will maintain complete and accurate records of the Products sold in accordance with the Agreement, and all shipments, returns, refunds, customer service and other activities pursuant to this Agreement. You will maintain in Your computer files, order entry records, inventory records and all other related miscellaneous information. In the event You or Your successor or assign is or becomes subject to any voluntary proceeding (or any involuntary proceeding in which You or Your successor or assign either admits insolvency or the proceeding is not dismissed within sixty (60) calendar days after commencement) under any Chapter of the Federal Bankruptcy Code or any state insolvency statute, TRAVELSMITH, its successors or assigns reserve the right to immediate access to Your premises to retrieve all property of TRAVELSMITH, including, without limitation, TRAVELSMITH's inventory, lists, customer lists and all other proprietary and business information, prepaid funds, and all other monies held for the account of TRAVELSMITH.

Governing law; Jurisdiction; Attorney's Fees. This Agreement, and the legal relationship between You and TRAVELSMITH will be governed by California law, without regard to conflicts of law principles. Any legal action or proceeding with respect to this Agreement may be brought only in the courts of the State of California, Los Angeles County, or of the United States District Court for the Central District of California and each party hereby accepts the jurisdiction of such courts. You hereby irrevocably waive any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens, which You may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions. If any litigation is commenced to enforce any provision of this Agreement or to seek a declaration of the rights of the parties hereunder or as a result of any breach or threatened breach of any provision of this Agreement, the prevailing party will be entitled to recover from the non-prevailing party all of its costs and expenses incurred in connection with such litigation, including without limitation reasonable attorneys' fees, at both the trial and appellate levels.

Notice. All notices or other communications required or permitted under this Agreement must be in writing, addressed to the address written below or to such other address for a party set forth in a notice given to the other party, sent to the intended recipient by prepaid registered mail, receipted commercial courier, or electronically receipted facsimile transmission, and will be effective upon delivery to the intended recipient. All communications to TRAVELSMITH shall be sent to the attention of Christine Hergenrother, Finance Director at chergenrother@travelsmith.com.

All Other Questions/ Issues/ Correspondence

Questions related to use of VN including modification of ESD's should be directed to Brian Teates in Vendor Technology Group, email address vtg@cornerstonebrands.com.

Questions about check issuance can be directed to Accounts Payable at TS-AP@cornerstonebrands.com or call 877.333.1049. Please include vendor name, Order or invoice number and reason for inquiry.

Please direct all stock, back order delays, item forecasts, payment amounts or invoice value questions to my attention.
Heather McGrew-Ritz, Sr. Control Buyer
Phone: 415 798 3052
Fax: 513 645 4180
Email: dropshipliaison@travelsmith.com

Miscellaneous. Each party acknowledges and agrees that any failure on the part of the other party to enforce at any time, or for any period of time, any of the provisions of this Agreement will not be deemed or construed to be a waiver of such provisions or of the right of said party to thereafter enforce each and every such provision. The headings and sub-headings used in this Agreement are for convenience only and are not a part of this Agreement. If any provision of this Agreement is declared null, void or otherwise unenforceable, such provision will be deemed to have been severed from this Agreement, which will otherwise be and remain in full force and effect according to its remaining terms. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative upon all other rights and remedies set forth herein and allowed or allowable under law. This Agreement may be executed in one (1) or more counterparts, each of which will be deemed an original but all of which, together, will constitute one (1) and the same instrument.

EXHIBIT A

TSO CODE OF CONDUCT FOR MANUFACTURERS

At TSO, 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 TSO (“Manufacturers”). *At a minimum*, we require that all Manufacturers meet the following standards:

General	<p>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.</p> <p>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.</p>
Child Labor	<p>Manufacturers will not use child labor.</p> <p>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.</p> <p>Manufacturers employing young persons who do not fall within the definition of “children” will comply with any laws and regulations applicable to such persons.</p>
Involuntary Labor	<p>Manufacturers will not use any forced or involuntary labor, whether prison, bonded, indentured, or otherwise.</p>
Coercion and Harassment	<p>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.</p>
Nondiscrimination	<p>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.</p>
Association	<p>Manufacturers will respect the rights of workers to associate, organize, and bargain collectively in a lawful and peaceful manner, without penalty or interference.</p>
Health and Safety	<p>Manufacturers will provide workers with a safe and healthy workplace in compliance with all applicable laws and regulations.</p> <p>Manufacturers will also ensure that the same standards of health and safety are applied in any housing they provide for workers.</p>
Compensation	<p>Wages are essential to meeting workers’ basic needs. Manufacturers will, at a minimum, comply with all applicable wage and hour laws and regulations, including</p>

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 TSO or components thereof without TSO's express written consent. TSO may require, as one of the conditions of approval, that the subcontractor enter into a written commitment with TSO and comply with this Code of Conduct.

Monitoring and Compliance

Manufacturers will authorize TSO 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 TSO Code of Conduct for Manufacturers is not a contract and does not create any contractual rights for TSO employees, Manufacturers, or third parties.

ACCEPTED AND AGREED:

Print Your company name: _____

Print Your company address: _____

By: _____
Signature

Date: _____

Print name of person signing

Title of person signing

Please complete and sign this Drop Ship Vendor Information Form and complete the Vendor Net set-up checklist. E-mail dropshipliaison@TravelSmith.com or Fax 513-645-4180 all documentation, including a signed copy of the Drop Ship Vendor Expectations and Terms and Conditions within 3 business days to my attention.

DROP SHIP VENDOR INFORMATION FORM (ALL Drop Ship Vendors)

Please complete all information:

Company Name

Address

City _____ State ____ Zip

Phone _____ Fax

Company Email

Company Representative

Phone _____ E-address _____ 2ND E-address

Item # Lead days for order fulfillment (**Estimated Ship Date**) business days

Negotiated drop ship fee*: \$ _____ per item, per order (please circle which applies)

* (amount agreed upon with buyer)

Do you ship international?

Please provide address for customer returns if different than the above address.

Please acknowledge your understanding of the information included regarding drop ship procedures and obligations by signing below and returning this form.

Print Name:

Signature: _____ Date: _____

Vendor Net Setup Checklist for TravelSmith
VendorNet Drop Ship Vendors

Please check all that apply: Drop Ship Vendor (ship direct to retail customer)

1. To access your orders via TravelSmith Vendor Net website, you'll need a PC with Internet access and the Minimum PC Requirements listed below.
 - Pentium 150 or higher
 - 16 MB memory
 - 100 MB disc
 - Windows 98 or higher
 - Internet Explorer 5.0 or higher
 - Microsoft WORD 2000 or higher (Versions of Word below 2000 will not work)
 - E-mail Account

Please check here if all minimum requirements are met.

2. Your computer will need access to a printer in order to print new orders. The printer will need to be in place prior to training. If you are a Stock Purchase Order Vendor you may have a specific printer other than your regular printer for printing UCC-128 labels. If so, please note that and the type of printer under the printer check off.

Please check here if the computer has access to a working printer.

Standard 8.5 x 11.5 or Thermal Printer

3. Are you set up on Vendor Net with any of the other Cornerstone brands?

Frontgate /Grandin Road Ballard Designs TravelSmith Territory Ahead Garnet Hill

4. You will need to assign yourself a user name, i.e. ABC Distributor (up to 16 characters) and a password (up to 16 characters) to access the Improvements Vendor Net website.

User Name:

User Password:

5. You will need to provide at least one email address at your company to receive inbound order notifications from the Improvements Vendor Net website.

Email Addresses:

1.

2.

6. Please provide your information below:

<u>Internal Use Only</u>	
Drop Ship Fee:	per item, per package
VN:	

Vendor Name:

Contact Name:

Phone:

Email:

**Please complete this form and send it to Heather McGrew-Ritz, Inventory Manager for TravelSmith
Phone: 415 798 3052. Fax: 513 645 4180; dropshipliaison@travelsmith.com**

CBI EDI Trading Partner Worksheet (EDI Drop Ship Vendors)

EDI Coordinator,

Please email this completed worksheet to vtg@ccsginc.com

Receipt of this worksheet is necessary for setting up your EDI Profile. Failure to fill out all fields may result in your Trading Partner Profile setup being delayed. If you have questions about completing it, please contact us at vtg@ccsginc.com and we will be happy to assist.

Member Company

Ballard Designs ___ Cinmar (Frontgate, Grandin Road) ___ Garnet Hill ___ Improvements ___
Territory Ahead ___ TravelSmith X

Vendor

Vendor Name:
Vendor Number:

Shipment Type

Stock: ___ Drop Ship: X Stock & Drop Ship: ___

- Please note that we do not accept the 810 for Stock Orders at this time.
- Invoice information is required for Drop Ship orders.
 - For Drop Ship orders, you may send the 856 and 810.
 - The 810 may be sent without an 856 if it contains the shipment tracking number.

EDI Contacts

Primary

Name: _____
Email: _____
Phone: _____

Secondary (When Primary is not available)

Name: _____
Email: _____
Phone: _____

Please enter you EDI ID. (CHOOSE ONLY ONE)

(DUNS Number)	01	_____
(UCC Communications ID)	08	_____
(Phone #)	12	_____
(Mutually assigned)	ZZ	_____

Please check the VAN that your company will be using.

IBM/Advantis: ___ Invis: ___ Sterling Commerce: ___
GXS: ___ Easylink: ___ Other (Please Specify): _____

If you have an order that will ship prior to being put into EDI Production Status, an ASN is still required. Please read the Vendor Compliance Manual for instructions or contact your Buyer or Planner. Failure to do so will result in chargeback offsets.

Name:

Date:

Cornerstone Brands, Inc. VendorNet Setup Checklist
VendorNet Inventory only (All Drop Ship Vendors)

Internal Use Only

Ballard Designs

Frontgate /Cinmar/Grandin Road

VendorNet Inventory

TravelSmith

Vendor Number:

Related Vendor Number(s):

Live Date:

Please provide Vendor related information:

Vendor Name:

Contact Name:

Phone:

Email:

Holiday's (non-business days)

- | | |
|---|--|
| <input type="checkbox"/> New Year's Eve | <input type="checkbox"/> New Year's Day |
| <input type="checkbox"/> Martin Luther King Jr. Day | <input type="checkbox"/> President's Day |
| <input type="checkbox"/> Memorial Day | <input type="checkbox"/> Independence Day |
| <input type="checkbox"/> Labor Day | <input type="checkbox"/> Thanksgiving Day |
| <input type="checkbox"/> Day after Thanksgiving | <input type="checkbox"/> Christmas Eve |
| <input type="checkbox"/> Christmas Day | <input type="checkbox"/> Weekends (<input type="checkbox"/> Saturday <input type="checkbox"/> Sunday) |

Additional non-business days: