

SCHEELS[®]

VENDOR COMPLIANCE
GUIDELINES

Please review all portions of this document closely to ensure that updates are not missed.

Scheels does not assess chargebacks in the standard sense of this word. If we find an error, we want to find a solution to the issue going forward, so it does not continue to happen. Our next step may be to recoup additional costs we incurred due to these errors. We do not generally charge any hourly rates or additional fees for these claims. The only instances where we might assess an hourly rate or additional fee, is if this is an ongoing issue that we have tried to correct multiple times and have not been able to resolve.

It is the vendor's responsibility to make sure that all portions of these Vendor Compliance Guidelines are provided to the various teams internally, to ensure that all parties are aware of the changes outlined within the Scheels Vendor Compliance Guidelines.

Our Vendor Compliance Guidelines are meant to provide guidance and best practices for the majority of our vendors and shipments. **If there are any exceptions or exemptions that need to be reviewed,** please download the document provided in the following [LINK](#), fill out the form and return to Vendor_Compliance@scheels.com for review and approval. We will not be able to honor any exceptions/exemptions noted on these signed Vendor Compliance Guidelines.

If you have any questions, please reach out to your Line Leader or Scheels Vendor Compliance Team.

TO NAVIGATE WITHIN THIS DOCUMENT:

- Click on the section name below to proceed to that portion of the Scheels Vendor Compliance Guidelines.
- Within each section, click on the section header name to return to The Table of Contents page.

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DEPARTMENT	EMAIL	PHONE
Accounts Payable (Freight)	InvoicesOPS@scheels.com	
Accounts Payable (Product)	CO_AP@scheels.com	
Account Holds	Contact the 3 following: <ul style="list-style-type: none"> Line Leader for your product co_ap_leaders@scheels.com 	(701)232-3665
Defectives & Returns (Corporate)	Vendor_Compliance@scheels.com	
Defectives & Returns (Stores)	DefectivesXX@scheels.com Substitute the store initials for XX Example: The Colony Scheels would be DefectivesTC@scheels.com For a current store listing, click on the following link: SCHEELS STORE MASTER LIST	
Dropships	General: dropship@scheels.com Ehrin Johnson: ebjohnson@scheels.com Tommy Clobes: tfclobes@scheels.com	
EDI	EDI@scheels.com	701-232-3665
FFL (Federal Firearms License)	Scheels Gun Shop Managers	
International Import Shipments	Imports@scheels.com	701-356-8971
Logistics	Logistics@scheels.com	701-356-8971
Minimum Advertised Price (MAP) Updates	Email the applicable Line Leader and Pricing@scheels.com	
Marketing (Co-op)	Coop@scheels.com	
Marketing (Social Media)	General: SocialMedia@scheels.com Jenna Hedstrom: jkhedstrom@scheels.com Tim Frie: tjfrie@scheels.com	
Marketing (Videos & Images)	Assets@scheels.com	
New Vendor Onboarding	Vendor_Info@scheels.com	
Resale Certificates	Link for Resale Certificates	
Risk Management/General Liability	Risk_Management@scheels.com	
Store Locations	Link for current Scheels locations	
Vendor Compliance	Vendor_Compliance@scheels.com	701-232-3665

Return the applicable documents outlined below to the Scheels associate that you received the documents from, as well as to: Vendor_Info@scheels.com

1) **Vendor Agreement:**

The first step in becoming a Scheels vendor is to fill out a Vendor Agreement. Minimally, we need the following information completed on our Vendor Agreement prior to submission. Click here for the [CURRENT VENDOR AGREEMENT FORM.](#)

- a) Effective Dates (start and end date)
 - i) Most vendors use 1-2 years
- b) Vendor Information
 - i) Name/DBA Name
 - ii) Address
 - iii) City/State/Zip
 - iv) Website
 - v) Phone number
 - vi) Email to send orders to
- c) Contacts
 - i) Primary contact entered
- d) Remit to address
- e) Payment terms
- f) Order minimums
- g) Document signed/dated

2) **Vendor Compliance Guidelines:**

- a) [Page 39:](#)
 - i) Check Boxes to “Opt in” or “Opt Out” for online agreement items
 - ii) Fill out and sign for agreement/understanding of the Scheels Vendor Compliance Guidelines
- b) Carefully review Shipment Routing Guidelines on [pages 12-15](#)
 - i) Use our shipping accounts as opposed to billing Scheels

3) **Certificate of Insurance:** See section 5 on [Pages 33-35](#) of the Master Purchase Agreement for additional information.

4) **Current Form W-9**

5) **Once Scheels receives these documents, Vendor can expect the following:**

- a) Welcome letter sent providing vendor with a unique Vendor ID. This Vendor ID will be set up in our system for PO creation, receiving, and accounting.
- b) Follow-up on any missing paperwork
- c) EDI review, to assess if EDI is the proper fit for vendor
- d) Payment options discussed & finalized:
 - i) Accelerated Payment Method/Credit Card is our preferred payment method
 - ii) If applicable, Canadian and European payment options (credit card payment is often not an option)

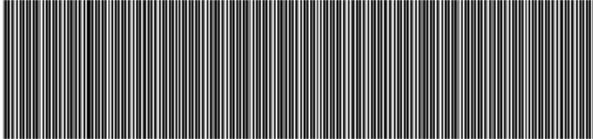
1) **PRODUCT LABELING REQUIREMENTS:**

- a) Scheels requests that all products arrive with the correct UPC or EAN barcode, as well as price labels/tags affixed to each item, to help move the product to the floor as soon as possible.
- b) Any deviation from this practice must be approved by the applicable Line Leader Team.

2) **CARTON LABELING, PACKING SLIP & IDENTIFICATION REQUIREMENTS:**

- a) **NON-EDI VENDORS (disregard pages 7-8):** Every Purchase Order is required to have a lead carton (#1). A packing list must be included in an outside plastic envelope on the lead carton (#1) and it must have the following information:
 - i) **Purchase Order Number MUST be included on ALL shipping labels**
 - ii) Breakdown of UPC or EAN and style #, by color and size for each Purchase Order
 - iii) Total number of cartons in the shipment
 - iv) Total number of units shipped
- b) **EDI VENDORS:** UCC-128 labels must be applied to each box/pallet. Any exceptions must be approved by Scheels EDI **IN WRITING**.
 - i) UCC-128 labels should be crease free when applied, we need to be able to scan the "Serialized Shipping Container Number"
 - (1) Labels may be placed sideways to fit on the entire side of the carton if need be.
 - ii) For pallet shipments, the UCC-128 label should be on an exterior side of the carton, so as to be visible when the pallet is stacked.
 - iii) UCC-128 label should be adhered next to other shipping labels contained on the box.
 - iv) UCC-128 labels applied at the pallet level, must be pre approved by the Line Leader. If approved, the following protocol should be followed:
 - (1) Do not mix PO's on a UCC-128
 - (2) If multiple UCC-128 labels are needed to adhere to these guidelines, place all labels in the same location on the pallet.
 - v) Failure to place this label on the carton or label placed on incorrect carton, may result in a chargeback of \$25/carton that is incorrectly labeled or missing a label.
 - vi) If the shipping carton is the retail carton, labels should be placed on the non-customer facing sides of the product, so as not to detract from the retail presentation.

UCC-128 Label Sample:

Zone A	Ship From: Ship From Name Address 1 Address 2 City, State Postal Code	Ship To: Ship To Name Address 1 Address 2 City, State Postal Code	Zone B
Zone C	(420) Ship To Postal Code 	Carrier: B/L Number: Number of Cartons: 1 of XXXX	Zone D
Zone E	Contents: PO Number: CO #: CR #: UPC:		
Zone F	<optional>	Mark For: location # <optional>	Zone G
Zone H	Serialized Shipping Container Number 		

Zone	Content	
A	Vendors ship from name and address	10 to 12 pt font
B	Ship to name and address	10 to 12 pt font
C	Ship to postal code and barcode	10 to 16 pt font
D	Shipment Information: Carrier is required & B/L is required if available Carton Tally Information: Box xx of yyy (required)	10 to 16 pt font
E	Carton Contents: PO Number is required If provided on the PO then the CO or CR are required to be sent back (CO = Customer Orders; CR = Special Orders; UPC # OR Mixed is required)	10 to 16 pt font
F	Marked for location barcode REQUIRED FOR CROSS DOCK SHIPMENTS (LTL)	
G	Mark for location code REQUIRED FOR CROSS DOCK SHIPMENTS (LTL)	
H	UCC-128 Serial Shipping Container Code (SSCC-18)	20 mil bars

- 1) Scheels requires these EDI Documents (Documents required for any Scheels initiated EDI 850 PO)
 - a) 850 Purchase Order
 - b) 855 Purchase order acknowledgement - optional based on vendor type
 - c) 856 ASN Advanced Shipping Notification (ASN must be accurate and linked to UCC-128 Shipping Container Labels attached to every carton).
 - d) 997 Functional Acknowledgement
 - e) 860 PO Change
 - f) 810 Invoice
 - 2) Scheels supports these EDI documents:
 - a) SPS Assortment Catalog Service
 - b) 846 Inventory Advice - required for any drop ship vendor.
 - c) 812 credit/debit memo
 - 3) Shipments received without the associated EDI transaction sets for the Advance Shipment Notification (856 ASN) and the Electronic Invoices (810 Invoices) may be considered non-compliant and may be subject to non-compliance chargeback of \$25/missing document for repeat offenses.
 - 4) The 856 ASN must be transmitted and received prior to the arrival of the shipment. If the product arrives prior to the 856 ASN, Vendor may receive a non-compliance chargeback of \$25/missing document for repeat offenses.
 - 5) The 856 ASN must match the delivered shipment. Both carton contents and labels match to the data contents in the 856. A chargeback of \$25/document may be assessed to the vendor for each incorrect document for repeat offenses.
 - 6) The 810 Invoice must be sent within 24 hours of shipment pickup from the vendor's warehouse. We want to pay our bills on time and are unable to do so without an invoice. Any terms discounts will still apply to any invoices paid late due to non-receipt of invoice. Vendor may receive a non-compliance chargeback of \$25/missing document for repeat offenses. It is the Vendor responsibility to ensure terms match to the Vendor Agreements- Scheels may chargeback to recover any lost terms discounts not reflected properly.
 - 7) Summary of Standards:
 - a) SPS Commerce is Scheels 3rd party EDI provider.
 - b) Scheels does not pay interconnect testing fees for users
 - 8) **SPS Commerce Contact Information:**

<u>New Inquiries:</u> www.spscommerce.com Community@spscommerce.com 800-856-3598	<u>Current SPS user contacts:</u> support@spscommerce.com 888-739-3232 Option 1
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- Scheels Vendor Portal:**
<https://community.spscommerce.com/scheels/>
- SPS Commerce offers EDI options ranging from FTP to Web browser based. If a vendor already has an established relationship with an ecommerce enablement company, it is not necessary to change. SPS Commerce has established interconnection relationships with all major Value Added Networks (VANS) and many other third party enablement companies.
- 9) **All vendors must pass SPS Commerce enablement testing before EDI documents will be exchanged.**
 - 10) If for any reason, Scheels initiates an order outside of the EDI channels, no EDI documents are required. However, if our vendor partners can still create them, they are preferred.

Unless otherwise specified on the purchase order, all Vendors must adhere to the following inbound transportation charges and FOB arrangements:

- 1) **If the Vendor is responsible for the transportation charges:**
 - a) If a purchase order qualifies for FREE FREIGHT and vendor routes with Scheels Logistics OR on Scheels UPS/Fedex account in error, all charges will be charged back to the vendor. In addition, we may also charge a \$100/hour administration fee to cover Scheels time to compile the claim.
 - b) Vendor may route with a carrier of choice when Scheels is not responsible for the freight charges.
 - c) All deliveries should be "Prepaid – FOB Destination".
 - d) PO # must be included on all BOL's and shipping labels. Failure to do so may result in all shipping charges billed to Scheels being charged back to the vendor, as we are unable to audit the shipment accurately.
 - i) If the PO is not included on any shipments that are audited, the vendor may provide a data file confirming the PO # affiliated with each tracking # for review.
 - ii) If the vendor is unable to provide a data file that includes the PO # affiliated with each tracking #, Scheels will assume that all of these shipments qualify for Free Freight.
- 2) **If Scheels is responsible for the transportation charges:**
 - a) Deliveries should be routed as outlined in the Shipment Routing Guidelines located on [pages 12-15](#).
 - b) If any of the shipment specifications change after the routing request has been submitted to Scheels Logistics, the Vendor is responsible for notifying Scheels Logistics regarding these changes.
 - i) If the specifications change and Vendor does not notify Scheels Logistics, any additional fees that are incurred as a result, may be billed back to the Vendor.
 - c) If Vendor has an FAK rating with a carrier, please let us know, so that Scheels may determine if the vendor should route prepaid and bill freight on invoice.
 - d) If the vendor provides a pick-up date and product is not ready for pick-up upon arrival, the vendor may be charged back for any "truck not used" (TONU) fees Scheels incurs from the carrier.
 - e) If a reweigh/reclass occurs due to incorrect information being received from the vendor during the initial routing request, the vendor may be charged back for the freight differential due to incorrect information being provided.
 - f) Vendor MUST use Scheels BOL; any exceptions to this MUST be approved by Scheels Vendor Compliance **IN WRITING**.
 - g) If a vendor's BOL is used and Scheels incurs additional freight charges due to this, Vendor may be charged back for the freight differential due to non-compliance.
 - h) Scheels may request any of the following information/documents to help refute additional carrier fees. Failure to provide this information may result in any additional fees being assessed to the Vendor.
 - i) Copy of signed BOL
 - ii) Packing slip with weight included
 - iii) Spec sheets for applicable items on the shipment
- 3) **Pallet Requirements (See [pages 12-15](#) for additional routing instructions):**
 - a) Please include instructions for any freight carriers delivering to Scheels as follows:
 - i) Pallets should be turned so as to be able to be unloaded by a floor jack.
 - ii) Moorhead Scheels requires a lift gate for any pallet deliveries, as this store location does not have a loading dock. **(Eden Prairie Scheels does NOT require a lift gate as of 7/1/21)**
 - b) Purchase order number MUST be included on ALL BOL's or shipping labels.
 - c) DO NOT stack products higher than 96" on pallets.
 - d) Product for same ship to locations should be consolidated to fewest # of pallets when shipping. It is ok to mix PO's on pallets for the same locations when shipping.
 - e) Do not stack multiple pallets on top of each other, unless approved by the Scheels Logistics. If for the same location, the product should be condensed to one pallet.

- f) Pallets should fit the product being shipped, so as to avoid overhang.
- g) If the product does overhang the pallet, any damages to the product may be billed back to the vendor if the carrier denies the claim due to overhang.
- h) Measurements should include any overhang of product. Measure to the widest part of the pallet and the top of the highest box on the pallet.
- 4) **Heavy Objects:**
- a) DO NOT stack higher than 72"
- i) Domestic Shipments of heavy apparatus including but not limited to: Treadmills, Bikes, Ellipticals, Benches, Grills, Smokers, Cast Iron, Table Games, and Backboards must be palletized at all times.
- ii) A standard 40"x48" pallet should be used whenever possible.
- iii) Merchandise must not extend over the pallet. A larger pallet may be used to accommodate oversize products.
- iv) If the product does overhang the pallet, any damages to the product may be billed back to the vendor if the carrier denies the claim due to overhang.
- v) Pallets must be capable of handling the weight of the product.
- 5) **Carton Packing requirements:**
- a) UPC's or EAN's, styles and colors may be mixed within the cartons, as long as they are for the **SAME** PO #.
- b) Each carton should contain the contents of only one purchase order. Do not pack the contents of multiple purchase orders in a single carton.
- c) Multiple purchase orders for the same delivery location should be combined into one routing request.
- d) If you are shipping multiple cartons to one location that are 5 lbs or less AND 2 cubic foot or less, if possible these cartons should be master packed into larger cartons (be sure master carton size is not oversized as outline in 1(g) on [Page 13](#)), so as to reduce the number of cartons and save on shipping costs.
- e) The purchase order number must be included on all cartons. If shipping with a small package carrier, Scheels PO **MUST** be listed in the reference field #1 of the shipping label.
- f) Different PO's **MAY** be mixed on pallets, if they are for the same store location, so as to help consolidate shipments.
- g) Cartons should be packed in such a manner, so as to maximize the amount of product packed within each carton and to protect contents.
- h) Packaging requirements:
- i) Packed case weight **should not exceed 50 pounds**. (22.67 kilograms).
- ii) Structurally, the corrugated box should meet a minimum rating of 32 ECT (edge crush test) for boxes weighing less than 50 lbs.
- **Exception:** Single selling units, which exceed 50 pounds (22.67 kilograms), should be packed as a single unit case.
 - All Master and Inner Cases should be able to withstand all shipping, warehouse conveyors and storage demands. (i.e. no loose flaps, top and bottom securely sealed, must be able to support the weight of its contents as well as the weight of other cases being stacked on top of it).
 - Master Cases with dimensions greater than 24 x 18 x 12 inches or (.61 x .46 x .31 meters) and those that contain only one single selling unit should be packed in a case which is acceptable for shipping via small parcel carrier. The Vendor should contact the small parcel carrier to ensure the case's shipping ability
- 6) **Shipping/Delivery Window:**
- a) The "Requested Ship Date" on the purchase order is defined as the date that Scheels desires product to arrive on our dock.
- b) Products may start shipping up to 5 days prior to the "Requested Ship Date".

- c) The goods should NOT BE SHIPPED TO **ARRIVE** before the “REQUESTED SHIP DATE” on the purchase order unless otherwise authorized in writing by a Scheels Line Leader or Scheels Logistics.
 - d) The “Cancel” date on the purchase order is defined as the latest date that Scheels desires delivery of product to our loading dock.
 - e) Scheels expectation is that our product will be delivered to the final destination by the “Cancel” date, as noted on our purchase orders.
 - f) Shipments will not be given an extension to ship after the “Cancel” date without prior approval from the Line Leader for your category.
 - g) If necessary to meet a schedule or to recover time lost by any delay, the Line Leader may, without liability and in addition to the Vendor’s remedies, require expedited routing in place of the scheduled routing, in which event all excess transportation costs shall be paid by the Vendor.
 - h) Scheels may, without penalty, postpone or cancel delivery of any products which have not been shipped within the “Requested Ship Date” and the “Cancel” date window as listed on the purchase order. Exceptions to such penalties would be a natural disaster or War that could affect a Vendor’s ability to supply or ship the product.
 - i) If Vendor at any time has a reason to believe that a Purchase Order will not be shipped within this time frame, the Vendor shall promptly notify the Scheels Line Leader by phone or e-mail of the best estimate of a new delivery date.
 - j) Line Leaders may, at their discretion, accept a new delivery date if the product is not shipped to deliver within our shipping window.
 - k) Items that arrive prior to the “Requested Ship Date” or that ship less than 5 days prior to the “Cancel” date on the purchase order, may result in a chargeback to your company.
- 7) **Double shipments:**
- a) May be rejected at the receiving dock and returned immediately.
 - b) All freight charges on a double shipment are the vendor’s responsibility and may be billed back accordingly.
 - c) Scheels will contact vendor for an RA # to return, if the product is accepted at the dock.
 - d) If we do not receive a response within 10 business days, we will ship these back at the vendor's expense.
- 8) **Unauthorized Merchandise:**
- a) Scheels is only responsible for the total merchandise ordered on any given Purchase Order.
 - b) All unauthorized substitutions, invalid orders, cancelled orders, early shipments, past cancellation date shipments, over shipments and duplicate shipments may be returned to the Vendor at their expense, plus a \$100/hour administrative fee for the time spent by Scheels staff to return this product.
- 9) **Hazmat requirements:**
- a) If vendor is shipping any hazardous materials, please email SD sheets to Logistics@scheels.com
 - b) Weights for hazmat product only needs to be called out on all routing requests submitted via the Scheels Logistics Portal or via email
 - c) UN # and product description should be included when routing any hazmat product.

Scheels Logistics Business Hours: Monday-Friday, 8:00 a.m. - 5:00 p.m. CST
(Unless otherwise specified below, please enter all routing requests through Scheels Logistics Portal (see pages 16-19 for directions), unless this is an FTL request or you are approved by Scheels Logistics Team to route via e-mail. DO NOT email individuals on the Logistics team, all routing requests must be directed to logistics@scheels.com ONLY)

General Shipment Routing Guideline Recap

(Please be sure to read additional clarifications on [pages 13-15](#))

- If cartons are oversized (see definition under on [page 13](#), section 1.g. below), **OR** if shipment to any ONE location is greater than 250 lbs. **OR** if more than 15 cartons are shipping to ONE location, **please enter these shipments into Scheels Logistics Portal, as outlined on pages 16-19**, for approval on the best way to ship.
 - o We may **STILL** decide to ship the product via UPS, final routing instructions will be determined by Scheels Logistics on the best or most economical way to ship, based on the information provided by the vendor.
- **IF A PURCHASE ORDER QUALIFIES FOR FREE FREIGHT**, you may ship with the carrier of your choice. Free freight qualifying shipments should not be shipped on scheels UPS/Fedex accounts or routed through the Scheels Logistics team. If any free freight or negotiated rate shipments are routed by Scheels Logistics or shipped on Scheels accounts, all charges will be charged back to the vendor. In addition, we may also charge \$100/hour to cover Scheels time to compile the claim.

In addition if you feel that you have negotiated a competitive rate with your preferred shipping carrier, which would be of benefit to Scheels, please include a freight quote with your routing request. We can then determine if Scheels Logistics will route or if it should be routed via your carrier.

ANY EXCEPTIONS TO THESE ROUTING GUIDELINES MUST BE APPROVED BY LOGISTICS@SCHEELS.COM FAILURE TO DO SO MAY RESULT IN CHARGEBACKS!!

- 1) If you have not received an appointment within 48 hours, please call or email our Logistics Team at (701)356-8971 or Logistics@scheels.com. When emailing a 2nd request, please notate this in the subject line, so as to expedite the response.
★ ***NOTE: CARRIER TO BE ASSIGNED BY SCHEELS LOGISTICS TEAM ONLY (Unless a qualifying Free Freight program is in place with Vendor).***
- 2) Unless otherwise instructed, Scheels Logistics will provide the Bill of Lading, which must be used to ensure proper carrier and rating instructions. Scheels Logistics will email a copy of the BOL to the vendor. Failure to utilize our prepared bill of lading may result in additional freight charges that Scheels incurs, being charged back to the vendor.
- 3) The Scheels Logistics bill of lading will serve as carrier pickup information for each pickup. Please contact logistics@scheels.com if carrier information has not been provided.
- 4) At time of shipping, please email a copy of the signed bill of lading to logistics@scheels.com
- 5) Shipping Labels must be affixed in a clearly seen spot on all pallets and boxes.
- 6) Failure to adhere to the Scheels routing instructions could result in chargeback to your company of the freight differential. Additionally, if a freight carrier audits a shipment and charges a reweigh/inspection fee due to errors in your freight classification, dimensions or weight, your company may be held responsible for any excess transportation charges Scheels incurs.
- 7) No transportation costs should be billed on your invoice to Scheels for the merchandise in the shipment, unless Vendor receives prior approval **IN WRITING** from Vendor_Compliance@scheels.com.

Our goal is to route all shipments within 24-48 hours of receipt of the routing request. If the ship date is a future ship date, our goal is to provide shipping instruction 24 hours in advance of the ready date. If you do not hear back from the Scheels Logistics team within this time frame, please contact us with the PO #, so we can provide an update.

Possible shipping options:

- 1) [Small package carrier \(UPS Ground\)](#)
- 2) [LTL Carrier](#)
- 3) [FTL Carrier](#)
- 4) [CALIFORNIA VENDORS ONLY \(within 100 miles of Los Angeles, CA\) - Please read this section carefully.](#)

1) SMALL PACKAGE CARRIER (UPS GROUND):

(CA Vendors, please review [section 4](#) before proceeding)

If your shipment qualifies to ship via small package carrier, please be sure the following guidelines are followed when routing each carton

- a) Include the Scheels Purchase Order # for each box in the “reference 1” or “reference 2” field on all UPS labels.
- b) Carton dimensions should be entered for all cartons when routing with UPS
 - i) Be sure to use the **outer** carton dimensions, not the inner carton dimensions.
 - ii) If dimensions are not entered when routing and the shipment is later audited by the carrier, any additional fees due to audited dimensions may be charged back to the vendor.
- c) Accurate address for each Scheels location should be used, including any Suite #'s. Failure to ship using the correct address and Suite #'s will be billed back to the vendor by UPS automatically. ([Link for current Scheels locations](#))
- d) Signature Required and/or Delivery Confirmation Signature should ONLY be utilized for gun shipments OR if it is a requirement for your specific product.
- e) Failure to adhere to any of the guidelines outlined in this section may result in any additional fees being billed back to the Vendor.
- f) If you have any issues when setting up your UPS shipment, please refer to the following document: [LINK FOR UPS TROUBLESHOOTING](#)

If the criteria is met for g, h AND i below, these shipments can automatically ship via Small Package. No need to contact Logistics or enter into the Logistics Portal.

- g) As long as none of the cartons are “Oversized” as follows:
 - Any package with girth exceeding 105” is considered oversized. Girth is calculated as (2 x Length) + (2 x Width) + Height
 - OR any package with ONE side greater than 48” is considered oversized.
 - OR any package with TWO sides greater than 30” is considered oversized.
 - OR any package greater than 50 lbs is considered oversized.
 - Please contact Logistics for additional clarification on shipping if any of the above applies to any of your packages.
- h) If shipment to any ONE location is 250 lbs or less
- i) **AND** if shipment is also 15 cartons or less, please ship via **UPS GROUND.**
 - i) Ship 3rd party collect on UPS Ground Acct #E58611
 - ii) Billing zip code for this acct # is 58103.
 - iii) If you need the bill to address for this account #, it is as follows: Scheels, 1551 45th Street S, Fargo, ND, 58103.

- iv) The purchase order number must be included on all cartons. If shipping with a small package carrier, Scheels PO **MUST** be listed in the reference field #1 of the shipping label.
- v) **Declared Value:** Do not input a "Declared Value" for any boxes that are being shipped via UPS ground to our Scheels stores. We have found that the cost/value ratio is not in our favor and are electing to have our product shipped via UPS without additional insurance. Failure to comply will result in any declared value fees being charged back to the vendor.
- vi) DO NOT input dimensional weight, only input scale weight when shipping Scheels product. Any additional charges may be billed back to the vendor if dimensional weight is used.
- j) Scheels requires each shipper, where possible, to combine multi-piece shipments destined for a single location into master cartons. The master carton must comply with parcel carrier guidelines. If any one parcel does not meet the above guidelines, the shipment should be entered into the Scheels Logistics Portal for review. Parcel Carrier guidelines and restrictions can be found on www.ups.com.
 - i) In order to prepare a package properly so that it is compatible with the UPS environment and to protect the merchandise properly, a proper corrugated carton is required ([see Page 10](#), 5.h). Corrugated cartons are designed with a top and bottom in mind. Please be sure to ship the box with the flap side up and place the UPS label on the TOP of the box beside the seam (not on the seam or the side of the box).
 - ii) Expedited shipping MUST be pre approved by the Scheels team prior to shipping. Shipments requiring expedited service are to be shipped via UPS 2nd Day Air® on Scheels UPS acct #E58611, NOT the vendor's account number. If pre approval is not obtained prior to shipping, any additional fees for expedited shipping may be billed back to the vendor.

2) **LESS THAN TRUCKLOAD SHIPMENTS (LTL):**

- a) All LTL shipments should be routed in the [Scheels Logistics Portal](#) (see additional instructions on [pages 16-19](#))
- b) All LTL shipments need to be palletized and shrink wrapped by store location, unless otherwise approved by Scheels Logistics.
- b) Floor loaded shipments must be pre-approved by Scheels Logistics, as carrier options are generally limited when shipping in this manner.
- c) All shipments need to be properly marked and tagged. See labeling requirements on [pages 6-7](#).
- d) Accurate pallet dimensions need to be provided when routing LTL shipments. These dimensions should be measured to include overhang and be measured to the widest/tallest points.
- e) When providing the weight for LTL shipments, the weight should include both the weight for the pallet itself, as well as the total weight for all products that are on the pallet.
- f) Failure to provide accurate pallet count, dimensions and weight, may result in any reweigh or reclass fees being billed back to the VENDOR.

3) **FULL TRUCKLOAD SHIPMENTS (FTL):**

- a) Full truckload shipments can be emailed to Scheels Logistics, no need to enter them in the Scheels Logistics Portal.
- b) Preferred format for this information is:
 - i) Excel
 - ii) Email
- c) Information should include:
 - i) Pick up location name, address, phone # and contact name
 - ii) Dock hours
 - iii) Ready date for shipment
 - iv) Scheels Purchase Order(s)
 - v) Total # of pallets
 - vi) Total shipment weight
 - vii) Breakdown of # of pallets by location if shipment is for multiple Scheels locations

- d) All FTL shipments need to be palletized and shrink wrapped by store location, unless otherwise approved by Scheels Logistics.
- e) Floor loaded shipments must be pre-approved by Scheels Logistics, as they may result in additional handling costs at our warehouses.
- f) All shipments need to be properly marked and tagged. See labeling requirements on [pages 6-7](#).
- g) Failure to load FTL shipments in the order as outlined on the BOL and email directions from Scheels Logistics, may result in additional charges being billed back to the vendor.

4) CALIFORNIA VENDORS ONLY (Within 100 miles of Los Angeles, CA) - Please read this section carefully.

- a) For vendors located within 100 miles of Los Angeles, CA, please contact Logistics@scheels.com to confirm if you will be shipping via consolidation to one of our DC's for distribution to our stores
 - i) For approved consolidation shipments out of Los Angeles, CA, use the following protocol:
 - The stores that should **NOT** be consolidated are (these locations need to be entered into the Logistics portal by location):

LOS ANGELES, CA SHOULD NOT CONSOLIDATE THE FOLLOWING:
022: Colorado Springs, CO
024: Missoula, MT
026: Chandler, AZ
028: Tulsa, OK (Opening fall 2024)
030 Meridian, ID
038: Wichita, KS
070: Great Falls, MT
074: Reno/Sparks, NV
080: Sandy, UT
086: Billings, MT
088: Overland Park, KS
092: Johnstown, CO
096: Colony, TX
TBD: Austin, TX (Opening 2026)
110: Scheels Distribution, St Cloud, MN
114/614: Scheels Distribution, Fargo, ND
116/616: Scheels Distribution, Camdenton, MO
118/618: Scheels Distribution, Sidney, NE

- ii) ALL other locations should be consolidated onto the fewest # of pallets with each carton marked with the store location it is going to.
 - (1) Pallets that contain cartons for multiple stores should be clearly labeled with "PALLET CONTAINS MULTIPLE STORES", so that our DC's know it needs to be sorted upon arrival.
 - (2) Email the following for consolidated loads to Logistics@scheels.com:
 - Pallet Qty
 - Carton Qty
 - Total weight
 - List of PO's
 - This information may be sent in a spreadsheet format

As outlined on [pages 13-16](#), if shipment qualifies to ship via UPS, there is no need to enter into Scheels Logistics Portal for shipping confirmation.

If you are not routing a consolidation shipment out of CA or an FTL shipment, all shipments should be submitted through Scheels Logistics Portal going forward, unless approved by Scheels Logistics Team to submit routing requests via email.

- Scheels Logistics Portal may be found by clicking on the link below or copying and pasting into your browser:

<http://scheelslogistics.com>

- Click on “Continue as Vendor” to submit a routing request.
- ****IMPORTANT: If you do not click “I’m Finished” on the final screen, your request will not be finalized and Scheels will not receive it.**

Screen 1: Enter your contact information to include name, phone # and E-mail address. This is where the routing information will be emailed to. Click on “Submit”

Screen 2: To add a secondary contact, click on “Add Contact” or click on “Continue” if no additional contact.

Screen 3: Enter Scheels PO#, click “Add”.

- Please add all purchase orders affiliated with the same order location.
Example: PO 6748176 & 6751377 both going to Scheels Appleton. (Each location will need to be entered separately.)

- Note:** If the PO comes up as “PO Not Found” you can still proceed through the portal, click on CONTINUE to move on. (If the PO is not found, you will need to manually enter the deliver to location.)

Screen 4: Enter your origination address and pickup availability times:

- a) If you have any special instructions, please add them in the notes section. Examples of special notes may include: pickup #'s, shipping quotes, Hazmat information, etc.
- b) If the PO was recognized on the previous screen, our system will automatically populate the destination address. **If you are showing a different destination address than what our system populated this screen with, please reach out to Logistics@scheels.com**

c)

Screen 5: Enter total number of pallets & total number of overall cartons for the location you are routing, as well as carton information to help us better determine if UPS Ground or LTL will be the most economical method of routing. Click Save once finished.

Screen 6: Enter shipment Details:

- a) MAKE SURE THE WEIGHT ENTERED INCLUDES BOTH THE WEIGHT OF THE PRODUCT AND THE WEIGHT OF THE PALLET.
- b) Enter product Description. (Example: Bikes)
- c) Choose either Length, Width, Height **OR** click on the blue button at the top to “Input Pallet Cubes” (Cubic FT). You can only select one. IMPORTANT: Please be as accurate as possible.
- d) Entering an NMFC code is optional.
- e) Click Save once finished.
- f) In the upper right-hand corner click Review Shipment.

Pallet Information
Input Pallet Cubes
Pallets: 0/1 Entered

Cubic Footage:
88.89

Stackable?

Number of pallets with these details?

Clear
Save

Pallet Information
Input Pallet Cubes
Pallets: 1/1 Entered
Review Shipment

Length	Width	Height	Cubes	Stackable	Weight
48	40	80	88	No	312 lbs

Total Shipment Weight:
312 lbs

Cubic Footage:
0.00

Stackable?

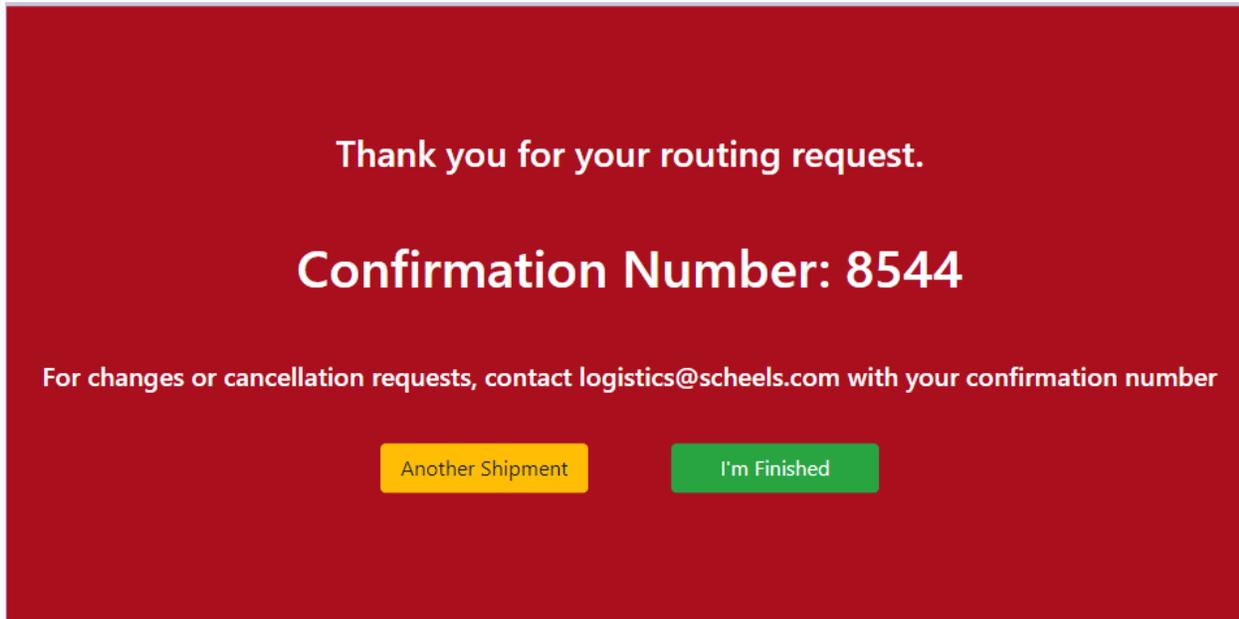
Number of pallets with these details?

Clear
Save

Screen 7: Shipment Review: Please make sure all details are correct, then click on Submit Shipment.

- a) If you have another request for another ship to location, but same origin, click “Another Shipment” and the program will then save your name, phone, email and origination address for your next order.
- b) If you have entered all of your routing requests click “I’m Finished.”

****IMPORTANT: If you do not click “I’m Finished” your request will not be finalized and Scheels will not receive it.**



- c) If you do not receive routing instructions within 48 hours or if you have any questions:
 - i. Email Logistics@scheels.com
 - ii. Be sure to include both the PO # and the confirmation # in your subject line when checking the status of a routing request

SCHEELS ROUTED IMPORT SHIPMENTS:

Prior to routing any import shipments via small package, air, or ocean, please reach out to Imports@scheels.com for shipping direction and terms.

Please do not book any import shipments until our team provides direction on the final destination and preferred carrier partner.

A detailed packing list and invoice must be submitted for each container or less than container. The Company's name, address, phone number and e-mail address must be included on the packing list. It should also indicate the following information, in no specific order of layout:

- 1) For the account of: Scheels, 1711 Gold Drive S, Fargo, ND 58103
- 2) INCO terms of sale: FOB, DDP, etc.
- 3) The Notify Party (as indicated in the letter of Credit) as follows:
 - Scheels Corporate Office
 - Attn: Scheels Imports Team
 - Imports@scheels.com
 - 1711 Gold Drive S, Fargo, ND 58103
- 4) The Port of Loading
- 5) The Port of Discharge
- 6) The Carrier, Vessel, and Voyage #
- 7) Place of Delivery (as designated by Scheels Imports)
- 8) Insurance covered by
- 9) Number of cartons shipped
- 10) The Commercial invoice must also include a full description of goods shipped, including the HTSUS #, in order for it to be classified properly to pay the correct customs duties.
- 11) Sailing date (on or about)
- 12) Net weight
- 13) Gross weight
- 14) Shipping marks
- 15) Packing list must be complete and signed by an Authorized officer or representative of the company.
- 16) As required by U.S. Customs and Homeland Security, the ISF (Import Security Filing) Form must be submitted prior to the vessel leaving the foreign port. Failure to submit this ISF Form in a timely manner will be subject to a \$10,000 fine by U.S. Customs. This fine will be the responsibility of the vendor. The ISF Form needs to be sent to:
 - Licensed U.S. Customs Broker
 - E-Mail: Imports@scheels.com
 - (ISF template forms can be requested at Imports@scheels.com.)
- 17) Once shipment has departed the foreign port, we need the following documents submitted to imports@scheels.com within 72 hours of departure:
 - i. Bill of Lading
 - ii. Packing List
 - iii. Commercial Invoice
 - iv. TELEX Release
 - v. Any other related documents
- 18) All documents required by the Letter of Credit must be received by personnel listed in the Letter of Credit ten days prior to the arrival of the shipment.

VENDOR ROUTED IMPORT SHIPMENTS:

Vendor is responsible for providing ALL customs clearance documentation to the carrier. Failure to do so may cause delays or the packages to be returned at the vendor's expense.

When a UPS small package, air or ocean container imports shipment is routed or loaded at port, Imports@scheels.com should be notified and following information sent:

- PO #
- Container # or tracking #'s
- Estimated delivery date
- Bill of Lading
- Packing List
- Commercial Invoice
- Any other related documents

For DDP, DAP or D-terms shipments (vendor routed), delivery appointments to any Scheels Warehouse facility MUST be set up through Imports@scheels.com a minimum of 5 business days prior to arrival at the warehouse.

If Scheels is taking possession of the container at the POE, Imports@scheels.com should be notified a minimum of 10 days prior to arrival at port.

Failure to provide appropriate notifications, may result in the vendor incurring and being responsible for any detention fees.

This section applies to both domestic and international shipments.

- 1) Claims in FOB Destination shipments are the responsibility of the Vendor. Damaged goods may be documented and it is the vendor's responsibility to file the freight claim with the carrier. Scheels will assist in providing appropriate documentation.
- 2) Claims in FOB Shipping Point shipments are the responsibility of Scheels. Vendors will be paid for the complete shipment and Scheels will file a claim with the carrier.
- 3) With the exception of UPS/Fedex shipments. As UPS/Fedex automatically reimburse the Shipper (Vendor), these claims must be filed by the Vendor, unless approved by Scheels Vendor Compliance team.
- 4) Truckload shipments arranged by Scheels will be considered "Shipper Load and Count" type shipments, unless the Bill of Lading specifically identifies "Driver Load and Count" on it. If the load's security seal is intact upon arrival, all damage or shortage will be considered to be Vendor's responsibility due to the improper loading, packing, or counting. Scheels will make prompt and reasonable notification of damaged or shorted goods. Damaged or shorted goods will be deducted from Scheels payment to the Vendor. Damaged goods will be held for Vendor disposition for no more than 90 days. After 90 days they will be deemed to be abandoned and disposed of at Scheels discretion.

CREDIT MEMOS:

- 1) Reference **SCHEELS CLAIM # FROM OUR CLAIM FORM AND/OR RA #** on all credit memos.
- 2) All credit memos should be e-mailed to the following groups within Scheels:
 - a) Vendor_Compliance@scheels.com
 - b) CO_AP@scheels.com
 - c) The store that filed the claim:
 - i) For individual stores, email: Defectives_XX@scheels.com
 - ii) Substitute the store initials for XX, example The Colony Scheels would be Defectives_TC@scheels.com
 - iii) For a current store listing, click on the following link: [SCHEELS STORE MASTER LIST](#)

VENDORS WITH A NEGOTIATED DEFECTIVE ALLOWANCE:

- 1) Our preference would be to have a negotiated defective allowance in place with each of our vendors, to help cover the cost of any defective product returned by customers. This benefits both Scheels and our Vendor Partners, as it saves time, personnel costs, and shipping costs for the return of goods.
 - a) To negotiate a defective allowance, please contact the applicable Line Leader for your product category.
 - b) The defective allowance should be netted out of the final billed costs. Any deviation from this needs to be approved by a Lead Line Leader.
- 2) At the end of each year Scheels does audit the negotiated defective allowance rate to ensure that it covers the total cost of any defective items returned by customers.
- 3) The defective allowance should not be utilized to cover the following:
 - a) Items damaged in transit.
 - b) Items that arrive with visible defects, such as mis-prints. These items should be reviewed and credited independently of the defective allowance.
 - c) The defective allowance is only meant to cover the costs for items that customers deem as defective.
- 4) In the event that we find that the defectives allowance does not cover the true amount of defectives returned to Scheels, we may reach out to the vendor to “true up” the differential between the negotiated defectives allowance and actual returned amount of product.
- 5) In addition, we may ask the vendor to increase the defectives allowance for the next contract year.

VENDORS WITHOUT A NEGOTIATED DEFECTIVE ALLOWANCE:

- 1) Vendor is responsible for all return freight charges when defective product is returned.
- 2) Freight should ship via one of the following options:
 - a) Vendors UPS or Fedex account number
 - b) Call tag issued
 - c) Or credit for the freight charges Scheels incurs on their account should be issued. Freight charges will be calculated as follows:
 - i) \$15/carton
 - ii) If carton is oversized, additional charges may be included in the freight cost
 - d) Any exception to this needs to be approved by Scheels Vendor Compliance
- 3) Upon receipt of the first request for Returns from Scheels, the Vendor must respond within ten (10) business days providing Scheels with RA # or a reason the Return will not be authorized.
- 4) If the Vendor fails to respond in time, a second request in writing and noting it is the second request for Return Authorization, will be sent.
- 5) If a Vendor fails to respond to the second request within two (2) business days, Scheels will be authorized to return the shipment to the Vendor at their expense.

- 6) Upon receipt of returned merchandise, Vendor must make their evaluation and decide on acceptance or rejection of the Return.
- 7) If accepted, credit must be issued to Scheels within 30 days of shipment to the Vendor. Credit memo should clearly identify it is for a return and note **SCHEELS CLAIM # FROM OUR CLAIM FORM AND/OR RA #** and item #'s, for which the credit is being issued.
- 8) If rejected, Scheels must be contacted for instructions on the disposition of the material within 30 days of shipment to Vendor. Vendor must provide specific reason as to why credit has been denied for each item.
- 9) Failure to respond to Scheels within 30 days of product being returned to the Vendor, may result in an automatic deduction on the next payment to the Vendor for the value of the returned items, PLUS any applicable transportation charges.

ITEMS RETURNED FOR REPAIR:

Vendors who repair/replace items must have all items returned back to Scheels within 45 days of the ship date and in SELLABLE condition, including packaging, instruction manuals, etc. If all items are not able to be repaired/replaced, a credit memo must be issued for the remaining items and mailed the same day as the repaired/replaced items. If product is not returned or a credit memo issued within 45 days, the full amount of the return for repair may be deducted from the next check and no repayments will be issued. **IF THIS IS A WARRANTY SITUATION, THE VENDOR IS RESPONSIBLE FOR ANY SHIPPING CHARGES WHEN RETURNING TO SCHEELS.**

UNAUTHORIZED MERCHANDISE:

Scheels is only responsible for the total merchandise ordered on any given Purchase Order. All unauthorized substitutions, invalid orders, canceled orders, early shipments, past cancellation date shipments, over shipments and duplicate shipments may be returned to the Vendor at their expense, plus a \$100/hour administrative fee for the time spent by Scheels staff to return said product. Vendor is responsible for the initial freight charges on any orders returned or refused due to above reasons. In addition, Scheels is not responsible for any restocking fees for unauthorized shipments/merchandise.

- 1) All PO's will be sent at net pricing, with all discounts included. Any deviation from this must be approved by the Line Leader Team.
- 2) **Cost and Terms Discrepancies:**
 - a) The Vendor must respond within ten (10) business days to any cost and/or terms discrepancies inquiries.
 - b) If the Vendor fails to respond in time, a second request in writing and noting it is the second request for cost and/or terms discrepancy, will be sent.
 - c) Failure to respond to the 2nd inquiry within two (2) business days may result in an automatic deduction on the next payment to the Vendor.
- 3) **Invoicing and Billing Requirements:**
 - a) Scheels should be billed under one combined account, with multiple ship to locations
 - b) Each purchase order should be billed separately
 - c) Purchase order # should be included on all invoices
 - d) Minimum invoice amount is \$5, any backorders below this amount should be canceled.
 - e) Multiple shipments on the same day for one PO should be combined into one invoice.
 - f) Statements should be emailed in excel format to CO_AP@Scheels.com
 - g) All invoices should be sent via one of the following methods:
 - i) EDI (preferred)
 - ii) E-mailed to CO_AP@scheels.com in one of the following formats:
 - (1) Readable PDF, **not** a scanned PDF
 - (2) CSV
 - h) Please do not submit invoices by more than one method.
 - i) DO NOT send original invoices in cartons with shipments or use copies of original invoices as packing slips.
 - i) Any invoices received late due to these practices, will be paid with negotiated discount terms applied.
 - ii) For example, if your invoice terms are 2% 10, Net 30 and we receive the invoice copy late due to the invoice being sent inside of a carton or used as a packing slip, we will pay as soon as possible within 30 days, with a 2% terms discount applied.
 - j) All invoices are processed based on the date of **receipt of goods**. In the event that the vendor ships early and a Scheels buyer elects to accept the shipment, payment calculations will be based on the original delivery date specified on the purchase order.
 - k) Please verify that invoice #'s are consistent with your numbering practices in all formats, if the invoices are submitted to Scheels in multiple formats (i.e. EDI, E-mail and/or US Postal Service).
 - l) Credit memos should be applied as outlined on Scheels remittance advice when payment is sent. Do not randomly apply credits.
- 4) **Account Holds:**
 - a) Contact the Line Leader for your product, as well as:
 - i) co_ap_leaders@scheels.com

Please send all image, logo and video assets to: Assets@scheels.com

IMAGE REQUIREMENTS:

RESOLUTION & FORMAT: Please send high res **300dpi** images in one of our accepted file formats.

Accepted

.JPG
.TIF
.PDF
.PSD

Not Accepted

.PNG
.HEIC
.GIF
.BMP

BRAND LOGO REQUIREMENTS:

At SCHEELS we strive to make sure your brand is represented in the best way possible whether online or in-store. Please provide us with an updated logo or brand style guide for our records.

ALL LOGOS MUST BE SENT IN A SCALABLE VECTOR FORMAT.

Accepted

.AI
.EPS
.SVG
.PDF

Not Accepted

.JPG
.PNG
.PSD
.WEBP

VIDEO REQUIREMENTS:

FILE FORMAT & SIZE: For video content, please send MP4 or MOV files.

Aspect ratio of 16x9, 9x16 and 1x1 with a duration of 15sec, 30sec, 60sec, and >60sec.

WE DO NOT DOWNLOAD FROM YOUTUBE.

SAMPLE REQUIREMENTS:

- Please send any samples to:
SCHEELS CORPORATE OFFICE
ATTENTION: MARKETING
1715 GOLD DR S, FARGO, ND 58103
- SCHEELS does not pay for samples.
- If a Vendor sends in samples, it must be done at no charge (this includes any transportation charges).
- All samples are property of SCHEELS, unless specified by the vendor.
- If a sample is to be returned, please include a call tag or shipping label, as well as the date by which sample should be returned.
- SCHEELS will not resell sample products in our stores. However, SCHEELS does reserve the right to make final disposition of all samples after a reasonable period of evaluation.

RESTRICTIONS

Let us know if there are restrictions when co-branding any video, digital or print assets. Vendor logo will be added to all assets including video which will also have the SCHEELS logo at the end of the video.

Program Requirements

- All dropship partners must have the ability to receive orders via EDI.
- Scheels uses SPS Commerce as our third-party EDI provider.
- Vendors must send an inventory feed to Scheels via EDI at least once every 24 hours, items that sell out must be sent with a “0” on the inventory feed.
- Vendor to include Defective Allowance information, as well as Return Authorization details when applicable.
- All orders must ship within 1 business day.
- Vendor Order Cancellations need to be sent as soon as possible to dropship@scheels.com
- Must ship via UPS or Fedex account.
- Must not include any Vendor promotional offers in Scheels dropship orders.
- All warehouse changes and closures must be communicated to dropship@scheels.com at least 1 week in advance to closure.
- Unless otherwise agreed upon, Scheels will limit Dropship assortments to products that have a Minimum Retail Price of \$30.00 MSRP.
- Line item cancellation is required in the event that one of the items is out of stock. If there are multiple items in an order, partial fulfillment is still expected and required.
- Orders are submitted 24/7 and don’t exclude holidays or weekends.
- Vendors are not allowed to stop or hold shipments to customers due to price/cost discrepancies. Scheels will work to resolve pricing issues, but our priority is the customer experience.
- We aim to be great partners with our vendors, and will never knowingly violate MAP/UPP pricing policies.
- List of EDI Documents vendor will need to be able to send/receive-
 - 810 Invoice
 - 846 Inventory Feed
 - 850 Purchase Order
 - 855 Purchase Order Acknowledgement

856 Advance Ship Notice

Scheels Contact List

Ecommerce Contact	SCHEELS - dropship@scheels.com Ehrin Johnson - ebjohnson@scheels.com Tommy Clobes - tfclobes@scheels.com
Ecommerce Customer Service Contact	SCHEELS - dropship@scheels.com Customer Service Leads - web_shift_lead@scheels.com
Scheels Dropship EDI Contact	Dropship Team - dropship@scheels.com
Accounts Payable	CO AP - CO_AP@scheels.com

[Click here to fill out the Dropship Vendor Agreement](#)

[Click here for the Dropship Operations Manual](#)

This Agreement describes the terms pursuant to which SCHEELS All Sports, Inc. (“SCHEELS”) is willing to represent and sell products online from the Vendor listed above/below. This Agreement is an addendum to the SCHEELS Vendor Agreement, and all terms in the SCHEELS Vendor Agreement apply online in addition to those in this Agreement.

General Requirements and Conditions:

- 1) By signing this Agreement, Vendor grants SCHEELS authority to sell and represent Vendor’s products online at SCHEELS.com.
- 2) This Agreement authorizes but does not require SCHEELS to represent and sell Vendor’s products on the SCHEELS.com site. Through this Agreement, Vendor acknowledges Vendor’s products may or may not be represented and featured on select 3rd party sites and locations, including, but not limited to, the following:
 - a) SCHEELS.com
 - b) Google
 - c) Bing
 - d) Facebook
 - e) X
 - f) YouTube
 - g) Instagram
 - h) Pinterest
 - i) Snapchat
 - j) TikTok
- 3) If a particular product of Vendor is canceled, discontinued, or will be unavailable for more than 30 days, SCHEELS will not display the product online. See Orders and Sales below for further details.
- 4) SCHEELS has systems, policies, and services in place to help assure the needs of the consumer and of Vendor are being met. Specifically:
 - a) SCHEELS assists consumers with product warranty issues and provides assistance in the repair or replacement of products as authorized by Vendor.
 - b) SCHEELS provides acknowledgment of all orders to consumers by sending a confirmation email stating the order number. Another follow-up email is also sent with order delivery status and product tracking information.
 - c) SCHEELS provides consumers with means to be contacted for order follow-up information, and questions/concerns pertaining to their order. These include email, phone calls, fax, online chats, or letters.
 - Monday-Thursday, 8:00am-8:00pm CST
 - Friday: 8:00am-6:00pm CST
 - Saturday-Sunday: 10:00am-6:00pm CST
 - Extended hours during the Christmas/Holiday season
 - d) SCHEELS provides a dedicated Customer Service team to respond to consumer inquiries, usually within a 24 hour time period.
 - Monday-Thursday, 8:00am-8:00pm CST
 - Friday: 8:00am-6:00pm CST
 - Saturday-Sunday: 10:00am-6:00pm CST
 - Extended hours during the Christmas/Holiday season
 - e) SCHEELS utilizes an online order encryption service (i.e. DigiCert SSL certificate) on SCHEELS.com to ensure secure ordering.

Orders and Sales:

- 1) SCHEELS will only represent and offer for sale online those items that are Vendor/MAP approved. All online product representation is based primarily on SCHEELS pre-existing orders or instructions provided by the SCHEELS buying team. SCHEELS is not obligated to make additional purchases of products from Vendor just because Vendor has approved online sales. With some exceptions, a majority of the orders sold through SCHEELS.com are filled from SCHEELS brick-and-mortar stores. Product mix and representation on SCHEELS.com are based on seasonality and availability. The duration (shelf life) of any product represented on SCHEELS.com is dependent on, but not limited to, such factors.
- 2) Any terms and conditions relating to pricing, previously established between Vendor and a SCHEELS buyer, shall apply both in-store and online. All pricing will be honored and withheld at all times. If a secondary agreement is reached between SCHEELS and Vendor, SCHEELS will require an addendum to this Agreement and/or separate approval of any such agreement.
- 3) Vendors should be aware that any product sold online at SCHEELS.com may be sold in California and may be subject to California Proposition 65 requirements. By signing this agreement, Vendor, regardless of size or location, agrees to comply with Proposition 65. If Vendor's product requires a Proposition 65 Warning under California law, Vendor must have the necessary label or warning on the product or consumer packaging. SCHEELS does not assume responsibility for labeling Vendor's product or displaying required Proposition 65 Warnings on behalf of Vendor. Vendor may request that SCHEELS display a Proposition 65 Warning on a Product Detail Page on SCHEELS.com provided that:
 - a) SCHEELS must be provided full information including impacted SKUs, styles, and Proposition 65 warning information.
 - b) SCHEELS will control the display of Proposition 65 warnings on all digital platforms and it may vary from Vendor's request.
 - c) Vendors are expected to label impacted products and packaging as required by Proposition 65. Requesting that SCHEELS display a warning on a Product Detail Page on SCHEELS.com does not shift responsibility to comply with Proposition 65 from Vendor to SCHEELS.
- 4) To permit SCHEELS to represent Vendor's product to its fullest, Vendor acknowledges SCHEELS has permission to use imagery and graphics of Vendor's products/brands on SCHEELS.com, as well as on the previously listed social media sites. Assistance from Vendor may be required, and preferred, to attain the specific tools needed to fully represent Vendor's products on SCHEELS sites. Such assistance includes, but is not limited to:
 - a) Access to files, links, or FTP sites to acquire Vendor assets.
 - b) Providing current product catalogs or line sheets that contain product specifications/details.
 - c) Providing product copy, such as product description, specifications, features, and/or technology pertaining to Vendor's product/brand for product presentation.
 - d) Providing additional support, such as marketing calendars, social media content, lifestyle graphics, web banners, and video/media content.
- 5) Although SCHEELS does its best to keep its site fully functional 100% of the time, there are times that SCHEELS.com requires scheduled site maintenance, allowing SCHEELS to make improvements and changes to better serve its customers.
- 6) Offering reviews on product pages helps build customer's trust and offers insights into the product's unique features. Part of these efforts is using review syndication. Our ratings & reviews platform, TurnTo, has a system that makes this really easy, and there is **no cost** to you. To participate, please visit TurnTo's syndication FAQ page to read more about the program. Then if this fits with your strategy, please submit the online permission form allowing TurnTo to make this happen for us (links below).

[TurnTo Syndication FAQ](#)

<https://www.pixlee.com/ors>

- 7) Vendors should be aware that in 2023 we began shipping SCHEELS inventory to Canada. Vendors must disclose below if their products are able to cross the border into Canada once purchased from SCHEELS.com. If we are able to ship your products to Canada, please provide the country of origin with the data files.
- 8) All SCHEELS.com orders are backed by the SCHEELS 100% Satisfaction Guarantee. “Everything you buy at SCHEELS, on sale or otherwise, is guaranteed satisfactory or your money back. You don’t take chances at SCHEELS ... Ever.”

If there are any additional specifications or other information that Vendor proposes, please list that information in the “Additional Notes” section in the following [LINK](#) for consideration by SCHEELS.

If you agree to our Online Agreement, check the appropriate boxes for Proposition 65 and/or shipping to Canada on page 39. If you do not approve, please indicate in the checkbox at the end of the document. Signing and returning this Agreement does not guarantee that Vendor’s product/brand will be represented on the sites listed above. The return of this Agreement simply gives SCHEELS the express approval to do so.

This Master Purchase Agreement (this “Agreement”), is made and entered into by and between Scheels All Sports, Inc. (the “Scheels”), and (the “Seller”), in consideration for purchases by Scheels, agree that the following terms shall apply to all sales contracts entered into between Scheels and Seller whether or not such terms are expressly set forth or referenced in any future agreements by Scheels to Seller.

- 1) Supplemental Agreements. For purposes of this Agreement, the term “Supplemental Agreement” shall refer to the individual agreement, purchase order, email release or other means of ordering exchanged between Scheels and Seller, including, but not limited to the Scheels Vendor Compliance Guide (the “VCG”) incorporated herein and made a part of this Agreement. Upon Seller’s acceptance of each Supplemental Agreement, each Supplemental Agreement is binding on the parties and the terms of this Agreement are incorporated by reference into and shall supersede any conflicting terms. Such Supplemental Agreements may include other terms and conditions which shall be binding, except to the extent that such terms conflict with this Agreement, in which case this Agreement shall control.
- 2) Supply of Product.
 - a) Products. During the Term of this Agreement, Seller agrees to supply to Scheels the goods identified in the Supplemental Agreements (the “Purchased Goods”) in accordance with the schedule of deliveries as specified in the Supplemental Agreements.
 - b) Quantities; Volume Commitments. The quantities and committed volumes of Purchased Goods to be ordered by Scheels shall be as identified in the Supplemental Agreements.
 - c) Shortage of Supply. In the event of a shortage in the supply of Purchased Goods, whether due to Section 7(a) of this Agreement or otherwise, Seller shall allocate supplies of Purchased Goods giving prior priority to Scheels ahead of all of Seller’s other customers in such allocation.
 - d) Forecasting and Order Process. Scheels may provide Seller with periodic forecasts of Scheels’s anticipated demands for Purchased Goods as may be appropriate for Seller’s production planning as identified in each Supplemental Agreement. Such forecasts shall represent non-binding estimates of Scheels’s anticipated requirements for Purchased Goods. Actual purchases of Purchased Goods will be communicated to Seller by Scheels through a Supplemental Agreement, pursuant to written purchase or release orders, submitted electronically or by any other means as Scheels may deem appropriate.
 - e) Title; Risk of Loss or Damage. Unless provided otherwise pursuant to the VCG or a Supplemental Agreement, title and risk of loss or damage to all or any portion of the Purchased Goods shall pass from Seller to Scheels upon delivery at Scheels, and shipping terms for each order of Purchased Goods will be F.O.B. Destination.
 - f) Taxes. All sales, use, business, value added, goods and services, transfer, documentary, conveyancing or similar taxes or expenses that may be imposed as a result of the sale and transfer of the Purchased Goods to Scheels (“Taxes”) shall be the responsibility of Scheels upon receipt of an invoice from Seller in accordance with the applicable local law. If Seller is required by law or by administration thereof to collect any applicable Taxes from Scheels, Scheels shall pay such Taxes to Seller concurrent with the payment of any consideration payable pursuant to the applicable Supplemental Agreement, unless Scheels qualifies for an exemption from any such Taxes, in which case, Scheels shall, in lieu of payment of such Taxes to Seller, deliver to Seller such exemption certificates required by law or the administration thereof to effect the claimed exemption.
- 3) Purchased Good Warranties; Remedies.
 - a) Purchased Good Warranties. Seller warrants to Scheels, and to Scheels’s customers, that (i) Seller transfers good title to all Purchased Goods, free and clear of all liens and encumbrances; (ii) Seller complies and shall comply with prevailing industry manufacturing practices and standards applicable to the Purchased Goods; (iii) each Purchased Good sold by Seller hereunder shall be free from all defects in design, workmanship or materials, and have been and shall be produced, packaged, stored and shipped in accordance with prevailing industry manufacturing practices and standards

applicable to each Purchased Good; (iv) shall not be adulterated or misbranded; and (v) shall be fit for the uses for which the Purchased Good is normally intended and for any specific or special purpose or use which Seller knows is contemplated by Scheels or Scheels's customer, as applicable; (vi) the manufacture, sale, promotion or distribution of each Purchased Good by Seller shall not infringe upon or otherwise misappropriate any valid third party intellectual property rights; and (vii) all Purchased Goods, when delivered to Scheels or Scheels's customer, as applicable, shall be in conformity with the Specifications for such Purchased Goods pursuant to the Supplemental Agreements, as applicable.

- a) Scheels shall, at its option, have a non-exclusive remedy with respect to any delivery by Seller to Scheels or Scheels's customer, as applicable, of Purchased Goods that don't conform or comply with any representation, warranty, covenant or other obligation set forth in this Agreement, of either (i) replacement of such non-conforming Purchased Good, without charge, or (ii) a refund of the price in respect of such non-conforming Purchased Good, plus commercially reasonable charges in connection with the return or disposition of the non-conforming Purchased Good and the related shipping charges pursuant to the terms of the VCG. No remedy provided in this Section 3(b) shall be deemed exclusive or shall limit, in any way, such other rights and remedies that Scheels may have in law or equity.

4) Indemnification.

- a) Seller agrees defend, indemnify and hold Scheels, its officers, directors, and agents, employees, Scheels's customers, and their respective successors and assigns (as to each, an "Indemnified Party"), harmless from and against any losses, liabilities, damages, actions, suits, demands or claims (including, without limitation, amounts paid in settlement and reasonable costs of investigation and reasonable attorneys' fees) (collectively, "Claims"), including Claims made against the Indemnified Party by a third party, arising from (i) a breach of any agreement, covenant, representation, or warranty made in this Agreement; (ii) any damage to property or injuries to any person to the extent such damage or injuries arise out of or result from the Indemnified Party's handling, processing or use of the Purchased Goods; (iii) any alleged infringement of any valid third-party intellectual property rights; or (iv) the gross negligence, bad faith or intentional or willful misconduct of Seller or its employees, affiliates, representatives or permitted subcontractors in the performance by Seller of its obligations hereunder.
- b) Claims. If any Claim is brought that would entitle the Indemnified Party to indemnification hereunder, such Indemnified Party shall notify Seller in writing promptly after receipt of such Claim; provided that any failure to give such prompt notice shall not relieve Seller of its indemnification obligation hereunder. Seller shall have the right and discretion to settle, compromise, or otherwise dispose of the Claim; provided, that the Indemnified Party, at its own expense, shall have the right to participate in, the defense of the Claim and all negotiations for settlement, compromise, or other disposal of the Claim. Seller shall not agree to any settlement of a Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed and any such settlement all contain an unconditional release of the Indemnified Party. If Seller does not so commence and proceed diligently to defend and indemnify the Indemnified Party within ten (10) days after receiving written notice of the Claim, Seller shall be bound by any defense or settlement that the Indemnified Party undertakes in response to such Claim and Seller will reimburse the Indemnified Party for all costs and expenses, including attorneys' fees, related to the defense or settlement of the Claim.
- c) Additional Remedies for Scheels. In addition to its indemnification obligations set forth in this Section 4, if a Claim prevents or threatens Scheels's or Scheels's customer, as applicable, continued use of the Purchased Goods, Seller shall use commercially reasonable efforts, at no cost to Scheels to (i) obtain the right for Scheels or Scheels's customer to continue use of the Purchased Good, or (ii) replace, repair or modify the Purchased Good, if reasonably feasible, to comply with all warranties, representations, covenants and agreements set forth in this Agreement, including, without limitation,

to be non-infringing. If the foregoing is not feasible within a commercially reasonable period of time, Scheels shall have the right to terminate this Agreement with a full refund of all amounts paid by Scheels with respect to such allegedly infringing Purchased Goods. The aforesaid rights and remedies may be exercised by Scheels regardless of the merits of the Claim.

5) Insurance.

At all times, Seller must carry, at its sole cost and expense, the following Minimum Insurance Coverage underwritten by insurance carrier(s) with not less than an A.M. Best Rating of A- IX: Seller must carry, at its sole cost and expense, the following Minimum Insurance Coverage underwritten by insurance carrier(s) with not less than an A.M. Best Rating of A- IX:

1. COMMERCIAL GENERAL LIABILITY / PRODUCTS LIABILITY

Including Contractual Liability and Products & Completed Operations coverage written on an Occurrence policy form. Scheels All Sports Inc, their parent, subsidiaries, affiliates, employees, officers, and directors shall be named as Additional Insureds on all Liability policies carried by Seller. Total minimum limits required can be satisfied by a combination of primary and umbrella/excess coverage.

\$1,000,000 per occurrence minimum limits

\$2,000,000 aggregate policy limit

2. WORKERS' COMPENSATION:

Statutory – As required by law for all states in which Seller has operations / employees, and all states in which Scheels has property where Seller's employees may perform work. Employer's Liability - \$500,000 Each Accident

3. COMMERCIAL AUTOMOBILE LIABILITY:

\$1,000,000 per Accident Combined Single Limit for Bodily Injury and Property Damage Liability covering all owned, non-owned, and hired vehicles used in Seller's business.

4. UMBRELLA / EXCESS LIABILITY – All Tier II and Tier III Vendors:

Must fully follow the form of the primary Commercial General Liability coverage required in Item 1 above.

Level II Vendors - \$5,000,000 per occurrence minimum limits

Level III Vendors - \$10,000,000 per occurrence minimum limits

Should Seller: (a) Fail to procure any insurance coverage; (b) fail to procure the minimum amount of insurance coverage; (c) fail to procure the sufficient amount of insurance coverage to cover the claim; (d) fail to procure insurance coverage for the jurisdiction where the claim is made; (e) fail to procure insurance coverage which provides coverage for the claim; or (f) if Seller's insurance coverage is ruled to be inapplicable to the claim under the law of the Seller's State, such does not affect Seller's responsibility or liability hereunder, and Seller shall wholly indemnify Scheels and shall be liable for the entirety of the claim in accordance with all of the terms and conditions hereof. The insurance limits and coverages provided herein shall not operate in any manner as any limit upon Seller's liability or obligation to Scheels for any claims, whether in contract, indemnity or otherwise.

5. PROOF OF INSURANCE:

Seller or Seller's Insurance Carrier(s) and/or Agent(s) shall deliver current Certificate(s) of Insurance ("Certificate") to at the time of execution of this Vendor Agreement and prior to any purchases made by Scheels. Renewal Certificate shall be mailed to Scheels to assure receipt by Company of the replacement Certificate within ten (10) days of renewal or replacement of any required insurance coverage. The Certificate must provide Scheels with a firm sixty (60) day prior written notice of cancellation or change in coverage. The Certificate shall include proof that Scheels All Sports Inc. and its parent, subsidiaries, affiliates, employees, officers and directors are named as Additional Insured on all CGL and Umbrella policies.

The Certificate must show Scheels All Sports Inc, its parent, subsidiaries, affiliates, employees, officers and directors have been endorsed on the policy as additional insureds under the Commercial General Liability and Umbrella/Excess insurance policies. A copy of policy endorsement showing additional insured status and any other special policy provisions which may exclude or limit our additional insured position must be attached to the Certificate.

Certificate Holder shall be listed as:

Scheels All Sports Inc, Attn: Risk Management Department, 1707 Gold Dr. Fargo, ND 58103.

Certificates of Insurance shall be emailed or mailed to the certificate holder, at the time of execution of this contract, annually upon policy renewal, and at any other time requested by Scheels.

Commercial General Liability / Product Liability

All Sellers Must Carry Primary Minimum Commercial General Liability Policy Limits

Level I Sellers supply products not listed in Tier II or III below

*Sellers are required to show Umbrella/Excess coverage as applicable to satisfy minimum coverage.

†† Level II Sellers - Minimum Liability Insurance Required:

- Arrows, Arrowheads
- BBQ, smoker, fire pits
- Boat Motors/equipment (for example: trolling motors, batteries, stabilizers, fuel tanks and props)
- Box Blinds
- Folding, collapsible furniture, stools
- Fire Proof Clothing
- Knives including machetes, hatchets, axes, filet and electric knives
- Infant and Toddler sleepwear
- Kerosene, gas, sterno heaters, stoves, appliances
- Lighters
- Meat Grinders and slicers
- Pepper Spray
- Power equipment (e.g., power washer, winches)
- Toys with projectiles

†† Level III Vendors - Minimum Liability Insurance Required:

- Ammunition and components (bullets, primers and smokeless powder)
- Any product pulled behind boats with rider(s) or passenger(s)
- Binary Targets
- Black Powder and black powder substitutes
- Bows and accessories
- Climbing equipment and accessories (e.g., rock climbing, fall protection)
- Floatation devices or floatation wear including avalanche floatation backpacks/devices
- Firearms, air guns, BB/Pellet guns, paintball and slingshots
- Firearms safes and/or locking devices (e.g trigger locks, chamber locks)
- Jacks, Jack stands, trailer tongue jacks
- Propane
- Propane BBQ smokers, stoves, fryers, heaters
- Tree Stands, Ladder stands, and accessories

All Vendors - Other Insurance Required:

- Workers' Compensation as required by applicable state law
- Employer's Liability
- Commercial or Business Auto Liability for all vehicles owned, leased, or used in Vendor's business operations.

†† Scheels reserves the right to add Sellers to its Level II and III list as applicable law, introduction of additional products and/or re-classifications warrant or as Scheels deems appropriate.

6) Confidentiality & Proprietary Rights.

- a) Confidential Information. During and for a period ending five (5) years after the expiration or termination of this Agreement, Seller and Scheels each shall keep in confidence and not disclose to any third-party or use for any purpose except as provided herein, any confidential or proprietary information of the other party, provided that the information is marked as “confidential” or the disclosing party has a reasonable expectation that such information would be treated as confidential by the receiving party (“Confidential Information”). For purposes hereof, Confidential Information shall be deemed to include, but shall not be limited to (i) information concerning the Purchased Goods and the development, manufacture, marketing, distribution and servicing thereof; (ii) the terms and existence of this Agreement; (iii) pricing and cost models with respect to the Purchased Goods; and (iv) new product development and business opportunities. Confidential Information shall not include, and the foregoing confidentiality restrictions shall not apply to (w) information that is or becomes publicly available through no fault of the receiving party; (x) information that is obtained lawfully from a third-party not bound to obligations of secrecy to the disclosing party; (y) information that is developed by or for a party independent of and without reliance on Confidential Information; and (z) information within a party’s possession prior to the Effective Date of this Agreement that was not received under an obligation to keep the same confidential. If a party is compelled to disclose Confidential Information by law or governmental order, then the compelled party shall, prior to disclosure, provide the other party with notice of the circumstance to allow the other party a reasonable opportunity to contest any such disclosure. Each party shall not use and shall make commercially reasonable efforts to return all Confidential Information of the other party (along with all copies thereof), after the termination or expiration of this Agreement, except that legal counsel for each party may retain an archival copy or other appropriate record of the same to assure compliance. Notwithstanding the foregoing, either party may disclose the terms of this Agreement in proceedings to enforce the same.
- b) Use of Scheels’s Marks. Scheels may, at its discretion, use its own trademarks and trade names on or in relation to the Purchased Goods. Seller acknowledges that it may be requested to use the trademarks, service marks, brand names, trade names and other intellectual property of Scheels (the “Scheels Marks”) in connection with the manufacture and/or packaging of the Purchased Goods, as set forth in the specifications found in the Supplemental Agreements, as applicable. Seller shall not use the Scheels Marks without Scheels’s prior written consent. Seller acknowledges not to challenge or contest ownership of the Scheels Marks. Scheels hereby grants to Seller a non-exclusive license to apply the Scheels Marks to the Purchased Goods and related packaging, as applicable, solely in conformity and in accordance with the specifications found in the Supplemental Agreements. Any use of the Scheel Marks shall inure solely to the benefit of Scheels..

7) Miscellaneous.

- a) Force Majeure. No liability shall result to either party from any delay in performance or from non-performance caused by circumstances beyond the reasonable control of the party affect, including, but not limited to, acts of God, fire, flood, explosion, war, terrorism, action or request of governmental authority, accident, energy shortage, labor trouble or shortage, shortage of raw materials in the market, or any other circumstances of a similar or different nature beyond the reasonable control of the party affected (“Force Majeure”). The party affected by the Force Majeure will diligently attempt to remove such cause or causes and shall promptly notify the other party of the existence of such Force Majeure and its probable duration.
- b) Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered to be given and received in all respects when hand delivered, when

delivered by prepaid express or courier delivery service, when sent by facsimile transmission actually received by the receiving equipment, by e-mail of a .pdf document (with confirmation of transmission by reply email) or three (3) business days after deposited in the United States mail, certified mail, postage prepaid, return receipt requested, in each case addressed as follows, or to such other address as shall be designated by notice duly given:

If to Scheels: Scheels All Sports, Inc.
 ATTN: Risk Management
 1707 Gold Drive
 Fargo, ND 58103

- c) Entire Agreement; Amendment. This Agreement, inclusive of all corresponding Supplemental Agreements, supersedes all previous and contemporaneous communications and understandings, whether oral or written, and constitutes the sole and entire agreement between the parties pertaining to the subject matter hereof. No modification, deletion, or waiver of, or addition to the terms of this Agreement shall be binding on either party unless made in writing and signed by a duly authorized representative of each party. A party's terms and conditions on any purchase or release order, order acknowledgment, invoice or otherwise shall be applicable to the parties provided that allowance is made for such application in this Agreement. Any modifications or amendment to this Agreement or to any Supplemental Agreement will become effective only upon the execution by the parties of a written instrument specifically providing for such modification or amendment.
- d) Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of North Dakota without regard to its provisions concerning conflicts or choice of law. English shall be the governing language of this Agreement. All disputes arising out of this Agreement (and all amendments hereof and attachments hereto, including the Supplemental Agreements) shall be exclusively resolved in a court of competent jurisdiction in the State of North Dakota, County of Cass, or in the U.S. District Court for the District of North Dakota, and each party expressly consents to the jurisdiction of such state or federal courts, and waives any objections or right as to forum non conveniens, lack of personal jurisdiction or similar grounds. It is specifically agreed that this Agreement shall not be covered by nor construed in accordance with the terms of the United Nations Convention on Contracts for the International Sale of Goods.
- e) Assignment; Binding Effect. Except for the assignment to the successor or assignee of all or substantially all of the assignor's business to which the Agreement relates, this Agreement shall not be assignable by either party without the express prior written consent of the other party, which such consent shall not be unreasonably withheld. When duly assigned in accordance herewith, this Agreement shall be binding upon and inure to the benefit of each Party's successors and assigns.
- f) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become a binding agreement when one or more counterparts have been signed by each party and delivered to the other party.
- g) Headings; Construction. Headings as to the contents of particular sections and subsections are provided for convenience of reference only and are in no way to be construed as part of this Agreement or as a limitation of the scope of the particular sections or subsections to which they refer. This Agreement shall be construed without regard to any presumption or other rule requiring construction hereof against the party causing this Agreement to be drafted.
- h) Non-Waiver. Failure of either party to exercise any of its rights under this Agreement upon one occasion shall not waive such party's right to exercise the same on another occasion.
- i) Severability. If any provision of this Agreement or the application thereof to any person or circumstances is held invalid or unenforceable in any jurisdiction, the remainder of this Agreement, and the application of such provision to such person or circumstance in any other jurisdiction or to

- other persons or circumstances in any jurisdiction, shall not be affected thereby, and to this end the provisions of this Agreement shall be severable.
- j) Independent Contractors. In the performance of this Agreement, the parties are engaged in independent business, and this Agreement shall not be deemed to (i) make either party a partner, joint venture, agent or other representative of the other party; or (ii) grant either party any right of authority to assume or create any obligation in the name or on behalf of the other party or to accept legal summons or legal process for the other party.
- k) Compliance with Laws. In the performance of this Agreement, each party shall comply with all applicable federal or national, state or regional and local or municipal laws, regulations, ordinances, permits and orders, including, without limitation, all labeling, environmental, health, safety, child welfare, wage and hour, labor and other workplace laws and regulations, and shall obtain all necessary permits and approvals and give all stipulations, certifications, and representations, in each case as is necessary in connection with its performance of its obligations pursuant to this Agreement.
- a) Many States and the Federal EPA have or intend to restrict, prohibit or ban the sale of products containing PFAS chemicals, including textiles and garments, cosmetics, leather goods, children's products, rugs and carpets, upholstered furniture, cookware, and other consumer goods (collectively the "PFAS Laws"). All Scheels Purchase Orders, products, goods and merchandise (including packaging) must be in full compliance with all applicable laws, codes, regulations and ordinances for each Federal, State and local jurisdiction in the United States of America with respect to all PFAS Laws. PFAS Laws require that Scheels obtain and maintain on file a Certificate of Compliance as to the compliance of all products with applicable PFAS Laws.
 - b) Vendor shall immediately notify Scheels in the event that any Goods are determined to contain the presence of any PFAS at or above the threshold established by applicable PFAS Laws. If not previously disclosed, discussed, and agreed to ahead of time, Vendor agrees that Scheels be entitled to cancel any order and/or return any Goods at Vendor's expense and to reimburse Scheels for the cost of any such Goods returned to Vendor. Vendor shall notify Scheels if any Goods are not permitted to be sold in any particular jurisdiction due to any PFAS laws and shall permit Scheels to return such Goods at Vendor's expense.
 - c) Vendor hereby acknowledges, agrees and certifies, for itself and each of its vendors, suppliers, subcontractors, that all products, goods and materials associated with the manufactured goods shipped to Scheels or through Scheels (drop ship), shall comply with all applicable federal, state and local laws and regulations related to PFAS.
- l) Anti-Bribery; Scheels Code of Conduct. Seller represents and agrees that neither it, nor any individual or entity acting on its behalf, will offer, promise, or give financial or other advantage to any person (including a public official, or anyone else at the request of a public official) with the intention of influencing anyone to perform his or her function improperly, or where the acceptance of such advantage would itself be (or might be seen to be) improper, with a view of obtaining or retaining business or any form of commercial advantage for Scheels. Seller understands the penalties of the relationship with Scheels and indemnification of Scheels for any loss it incurs as a result of non-compliance with this provision. Seller represents and warrants that it will abide by the terms of Scheels's Code of Conduct and any subsequent amendments thereto throughout the Term of this agreement.
- m) Inspection and Audit Rights. For a period of three (3) years following the expiration or termination of this Agreement, and to the extent legally permissible and upon the provision of reasonable written notice to Seller, Scheels, or its designated agent or authorized representative will be permitted access to any area of Seller's facility, personnel, computer system, books and records, for the purpose of inspecting and auditing Seller's compliance with and performance of the Seller's obligations pursuant to the terms and conditions of this Agreement.

- n) It is agreed by all parties that Scheels has not designed or modified the Purchased Goods during production/manufacturing and has had no participation in the warnings or instructions as to the use of said Purchased Goods. Scheels makes no warranty or representations regarding the Purchased Goods or the use thereof.
- 8) This negotiated Master Purchase Agreement shall remain in force until expressly terminated by the parties in writing.

It is your responsibility to make sure that all portions of these Vendor Compliance Guidelines are provided to the various teams internally, to ensure that all parties are aware of the changes outlined within the Scheels Vendor Compliance Guidelines.

All Vendors Must Read, Check the Appropriate Statements for the Online Portion and Sign Below

If you Agree to the Online Agreement Portion please check the appropriate statements below:

Proposition 65 Acknowledgement:

Vendor does not carry products that require a Proposition 65 Warning at this time.

Vendor carries products that require a Proposition 65 Warning. The Vendor will work with SCHEELS to properly display the required warnings.

Ship to Canada Acknowledgement:

Vendor products are not able to be shipped to Canada at this time.

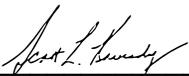
Vendor carries products that can ship to Canada. Vendor will work with SCHEELS to provide the country of origin.

If you Do Not Agree to the Online Agreement Portion please check the portion below:

No, I do not approve of this opportunity at this time. (Check if applies)

I have read and acknowledged the terms and conditions as outlined in the Scheels Vendor Compliance Guidelines. I have also shared this information with the appropriate personnel, and they too acknowledge the terms and conditions of the Scheels Vendor Compliance Guide. My company understands that the failure to comply with these instructions may result in a possible chargeback of freight costs, product costs and/or the cost of any work required due to lack of compliance.

The Vendor must email this entire document back to the Line Leader for your product, as well as to [Vendor Info@scheels.com](mailto:Info@scheels.com) and [Vendor Compliance@scheels.com](mailto:Vendor_Compliance@scheels.com)



Signature

8-23-2024

Date

Scott L. Kovesdy

Printed Name

Desert Fox Golf, LLC

Company Name

Owner

Title

Desert Fox

Brands Covered

40 W. Baseline Road, STE 118, Mesa, AZ 85210

Address, City, State, Zip Code