



VENDOR COMPLIANCE GUIDE

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Introduction

We value our partnership with our vendors and want to reassure you that we do not add on chargebacks to our vendors, without first reaching out to work on a resolution. Nor do we use chargebacks as a profit center.

Our first action when a pricing, routing or any other error is discovered, is to reach out to our vendors for resolution on the matter. Majority of our claims are only for any differentials in costs that occur due to these errors. **However, if we have contacted any given vendor multiple times with no response or resolution to our requests, we will add on the hourly rates as outlined within the attached Vendor Compliance Guide.**

With this said, we will **NOT** be removing or granting **ANY** exceptions or exemptions from our chargeback rules. We expect all of our vendors to partner with us and understand that if we do not reach resolution in a timely manner, we are fully within our rights to add on the hourly chargeback rates as outlined in our updated Vendor Compliance Guide.

If you do have any exceptions or exemptions you would like us to review, please list these on a separate addendum to be submitted to Vendor_Compliance@scheels.com for review and approval. ANY exceptions/exemptions noted on this signed Vendor Compliance Guide will NOT be honored.

Failure to sign and return page 20 of this Vendor Compliance Guide **WITHIN 30 DAYS OF RECEIPT**, may result in a charge back of \$25/day for each day past this date. The exception to this, is if vendor contacts Vendor_Compliance@scheels.com for approval to extend this window within reasonable terms, as deemed/approved by Scheels Vendor Compliance.

Changes to the Scheels Vendor Compliance Guide dated June 6, 2014, are as follows:

- Page 2, Contact Information: New page, with contact information consolidated in one area.
- Page 4, Labeling Requirements: 1(b)(iv)
- Page 5, EDI Requirements: 1(d), 2(b&c), 10
- Pages 6-7, Shipping & Delivery Requirements: **PLEASE READ ALL CAREFULLY.** Significant changes; most notable is that we are now implementing a 14 day cancellation window for all purchase orders.
- Pages 8-9, Shipment Routing Guide: Significant changes, please read carefully.
- Pages 10-11, Routing Request Logistics Portal: New page, new information, please read carefully.
- Page 12, International Import Shipments: 1(o) only.
- Page 14, Defectives & Returns: 1(a), 1(f) only.
- Page 15, Cost Discrepancies, Terms Discrepancies and Billing: 1(a), 1(c), 2(e)
- Page 16, Chargeback Review: 1 (all), 3(all), 4(f), 5(all)
- Page 17, Marketing /Photography Requirements: 2(a) contact names changed.
- Page 18-19, Online Agreement: New pages, previously included with our Vendor Agreement, please read carefully.
- Page 20, Scheels Vendor Acknowledgement: 1(all)

If you have any questions, please let us know.

Sincerely,

Scheels Vendor Compliance Team
Natalie Dufault, Allison Johnson, Don Doescher

Contact Information

- 1) EDI:
 - a) Email: **EDI@scheels.com**
 - b) Phone: **701-356-8255**
 - c) Fax: **701-298-3423**
- 2) Logistics:
 - a) Email: **Logistics@scheels.com**
 - b) Phone: **701-356-8971**
 - c) Fax: **701-356-8978**
- 3) International Import Shipments:
 - a) E-Mail: **Imports@mmeinc.com**
- 4) Vendor Compliance:
 - a) Email: **Vendor_Compliance@scheels.com**
 - b) Phone: **701-356-8245**
 - c) Fax: **701-298-3423**
- 5) Marketing:
 - a) E-mail videos to: **Video@scheels.com**
 - b) Co-op e-mail: **Coop@scheels.com**
- 6) Accounts Payable:
 - a) Send invoices & statements to **CO_AP@scheels.com**
- 7) Defectives & Returns:
 - a) See store listing for individual store locations
 - b) Corporate Contact: **Vendor_Compliance@scheels.com**

Labeling Requirements

1) Labeling, Packing Slip and Carton Identification Requirements:

- a) **NON-EDI VENDORS:** 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) Total number of cartons in the shipment
 - iii) Breakdown of SKU by color and size for each Purchase Order
 - iv) Total units in each box
 - v) Total number of units under each Purchase Order
 - vi) The top lead carton #1 must be clearly marked "Packing List Attached"
- 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"
 - ii) UCC-128 label should be adhered next to other shipping labels contained on the box.
 - iii) 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.
 - iv) If 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

EDI Requirements

- 1) Scheels requires these EDI Documents (Documents required for any Scheels initiated EDI 850 PO)
 - a) 850 purchase order
 - b) 856 ASN Advanced Shipping Notification (ASN must be accurate and linked to UCC-128 Shipping Container Labels attached to every carton).
 - c) 997 Functional Acknowledgement
 - d) 860 PO Change
 - e) 810 Invoice
- 2) Scheels supports these EDI documents:
 - a) 855 purchase order acknowledgement
 - b) SPS Assortment Catalog Service
 - c) 846 Inventory Advice
 - d) 812 credit/debit memo
- 3) Shipments received without the associated EDI transaction sets for the Advance Shipment Notification (856ASN) and the Electronic Invoices (810 Invoices) may be considered non-compliant and may be subject to non-compliance charges.
- 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 shipment.** 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 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.
- 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:**

New Inquiries:

www.spscommerce.com
ClientServices@spscommerce.com
800-856-3598

Current SPS user contacts:

Customersupport@spscommerce.com
huboperations@spscommerce.com
888-739-3232

Scheels Vendor Portal:

www.spscommerce.net
Username: scheelsvendor
Password: spscommerce1

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.

Shipping & Delivery Requirements

Delivery is critical. 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) Deliveries should be "Prepaid – FOB Destination".
- b) Vendor may route with carrier of choice when Scheels is not responsible for the freight charges.
- c) If an order qualifies for FREE FREIGHT and vendor routes with Scheels Logistics OR on Scheels UPS account in error, all charges will be billed back to the vendor and we may also charge a \$30/hour administration fee (industry standard) to cover Scheels time to compile the claim.

2) If Scheels is responsible for the transportation charges:

- a) Deliveries should be routed as outlined in the Shipment Routing Guidelines located on pages 8-9.
- b) If Vendor has an FAK rating with a carrier, please let us know, so that Scheels may determine if vendor should route prepaid and bill freight on invoice.
- c) If vendor provides a pick-up date and product is not ready for pick-up upon arrival, vendor may be charged back for any "truck not used" fees Scheels incurs from the carrier.
- d) If a reweigh/reclass occurs due to incorrect information being received from vendor during initial routing request, vendor may be charged back for the freight differential due to incorrect information being provided.
- e) Vendor MUST use Scheels BOL; any exceptions to this MUST be approved by Scheels Vendor Compliance **IN WRITING**.
- f) If vendors 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.

3) Pallet Requirements:

- 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) Eden Prairie Scheels and Moorhead Scheels require lift gates for any pallet deliveries, as these store locations do not have a loading dock.
- b) Purchase order number MUST be included on ALL BOL's or shipping labels.
- c) DO NOT stack product higher than 96" on pallets.
- d) **Heavy Objects:** Domestic Shipments of heavy apparatus including but not limited to: Treadmills, Bikes, Ellipticals, Benches, Cast Iron, Table Games and Backboards must be palletized at all times. A standard 40"x48" pallet should be used whenever possible. Merchandise must not extend over the pallet. A larger pallet may be used to accommodate oversize product. Pallets must be capable of handling the weight of the product.

4) Packing requirements:

- a) SKU's, styles and colors may be mixed within the cartons, as long as they are for the **SAME** PO #.
- b) Different PO's should NOT be mixed within the same cartons.
- c) Different PO's MAY be mixed on pallets, if they are for the same store location, so as to help consolidate shipments.
- d) Small cartons MUST be master packed into larger cartons, so as to reduce the number of cartons.
- e) Cartons should be packed in such a manner, so as to maximize the amount of product packed within each carton and to protect contents.
- f) Multiple purchase orders for the same delivery location should be combined into one routing request. However, each purchase order must be packed in separate cartons and billed separately.
- g) Packaging requirements:
 - i) Product should be packaged in such a manner, so as to arrive at Scheels free of damages and in saleable condition.
 - ii) Minimum recommendations for boxes are as follows:
 - (1) Minimum Bursting Test should be 200 lbs. or higher.
 - (2) Minimum Edge Crush Test should be 32 lbs./in.
 - (3) These strength tests should be located within the circle on the bottom of the box.

5) Shipping/Delivery Window:

- a) Scheels has 14 day cancellation window for all purchase orders.
- b) Product may start shipping up to 2 days prior to the "Date to Ship" as shown on Scheels purchase orders.

Shipping & Delivery Requirements

- c) The goods should NOT BE SHIPPED TO **ARRIVE** before the "DATE TO SHIP" on the purchase order unless otherwise authorized in writing by a Scheels Line Leader or Scheels Logistics. The "Date to Ship" date on the purchase order is defined as the date that Scheels desires product to arrive on our dock.
 - d) Product must **SHIP** at least **5 days prior** to "Date Cancelled" as listed on Scheels purchase orders, so as to guarantee product will **ARRIVE** by the "Date Cancelled". Product cannot ship less than 5 days prior to the "Date Cancelled", without written approval from a Scheels Line Leader or Scheels Vendor Compliance.
 - e) 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.
 - f) Line Leaders may, at their discretion accept a new delivery date that is within ten (10) business days of the original Scheels EXPECTED purchase order date.
 - 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 10 days of the "date to ship" date 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) Items that arrive prior to the "DATE TO SHIP" or that ship less than 5 days prior to the "DATE CANCELLED" on the purchase order, may result in a chargeback to your company.
- 6) **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 product is accepted at the dock.
 - d) If we do not receive a response within 10 business days, we will ship these back at vendor's expense.
- 7) **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 \$30/hour (industry standard) administrative fee for the time spent by Scheels staff to return said product.

Shipment Routing Guidelines

Scheels Logistics Business Hours: Monday-Friday, 7:00 a.m. - 5:00 p.m. CST

(Please enter all routing requests through Scheels Routing Request Logistics Portal (see pages 10-11 for directions), unless approved by Scheels Vendor Compliance to route via e-mail. DO NOT e-mail individuals on the Logistics team, all routing requests must be directed to logistics@scheels.com ONLY)

Shipment Routing Guideline Recap

(Please be sure to read additional clarifications on page 9)

- As long as none of the cartons are oversized**. If shipment to any ONE location is 250 lbs or less **AND** 15 cartons or less please ship via **ONE** of the small package options below. Please choose the option that makes the most sense for shipping out of your facility.
 - Billing zipcode for these acct #'s is 58103.
 - ****Please note:** Do NOT add declared values to any packages shipped via small package. Failure to comply will result in any declared value fees being charged back to the vendor.
 - No need to contact Logistics or enter into our Logistics Portal if the shipment qualifies to ship via small package carrier.
 - **SMALL PACKAGE CARRIER OPTIONS:**
 - **UPS GROUND:** Ship 3rd party collect on Acct #E58611
 - **FEDEX GROUND:** Ship 3rd party on Acct #792379370 (**Do not choose Ground Collect, as this will cause Fedex to bill to you the vendor, instead of Scheels**)
- If cartons are oversized (see definition under 5(b) 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 10-11,** for approval on best way to ship.
 - We may STILL decide to ship product via UPS, final routing instructions will be determined by Scheels Logistics on best or most economical way to ship, based on the information provided by vendor.
- **IF A SHIPMENT QUALIFIES FOR FREE FREIGHT, YOU MAY SHIP WITH CARRIER OF YOUR CHOICE. FREE FREIGHT QUALIFYING SHIPMENTS SHOULD NOT BE SHIPPED ON SCHEELS UPS ACCOUNT OR ROUTED THROUGH SCHEELS LOGISTICS TEAM. ANY FREE FREIGHT OR NEGOTIATED RATE SHIPMENTS ROUTED BY SCHEELS LOGISTICS OR SHIPPED ON SCHEELS UPS ACCOUNT, MAY BE CHARGED BACK TO THE VENDOR FOR 100% OF THE SHIPPING COSTS OR FREIGHT DIFFERENTIAL, PLUS \$30/HOUR (industry standard) 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 VENDOR_COMPLIANCE@SCHEELS.COM
FAILURE TO DO SO MAY RESULT IN CHARGEBACKS!!**

Shipment Routing Guidelines

- 1) **If Scheels is paying the freight, UPS FREIGHT (not to be confused with UPS Ground) IS NOT TO BE USED in any circumstances!** Vendors shipping UPS Freight may be subject to chargebacks for the freight expense differential + \$30/hour (industry standard) to cover Scheels time to compile the claim.
- 2) **UPS SMALL PACKAGE SHIPMENTS:**
 - a) **Declared Value:** Please 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
 - i) **Oversized Packages:** "Oversized" is defined as follows:
 - ii) Any package with length + girth exceeding 130" is considered oversized. Girth is calculated by measuring around the carton and then down the longest side.
 - iii) OR any package with ONE side greater than 48" is considered oversized.
 - iv) OR any package with TWO sides greater than 30" is considered oversized.
 - v) Please contact Logistics for additional clarification on shipping if any of the above applies to your packages.
 - b) Individual or consolidated shipments shipping to ONE Scheels location that are **250 lbs. or less AND 15 cartons or less**, are to be billed UPS Ground (NOT UPS FREIGHT) collect as follows:
 - i) Total weight is to be billed on Scheels UPS Ground small package collect account #E58611 for **ALL** Scheels locations.
 - ii) Please DO NOT input dimensional weight, only input scale weight when shipping Scheels product.
 - iii) If you need the bill to address for this account #, it is as follows: Scheels, 1551 45th Street S, Fargo, ND, 58103.
 - iv) Include the Scheels Purchase Order # for each box in the "reference 1" or "reference 2" field on all UPS labels.
 - v) 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 individual package guidelines, the entire Purchase Order must be shipped via LTL carrier. Parcel Carrier guidelines and restrictions can be found on www.ups.com.
 - vi) 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 6, 4(g)). 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).
- 3) Shipments requiring expedited service are to be shipped via UPS 2nd Day Air® on Scheels UPS acct #E58611, NOT the vendors account number. This must be authorized by Scheels personnel.
 - a) All LTL/FTL truck shipments need to be palletized and shrink wrapped by store location, unless otherwise approved by Scheels Logistics.
 - b) Floor loaded shipments must be preapproved by Scheels Logistics and may result in additional handling costs.
 - c) All shipments need to be properly marked and tagged. See labeling requirements on page 3.
- 4) If you have not received an appointment within 48 hours, please call or e-mail our Logistics Team at (701)356-8971 or Logistics@scheels.com. When e-mailing a 2nd request, please notate this in the subject line, so as to expedite the response.
 - a) **NOTE: CARRIER TO BE ASSIGNED BY SCHEELS LOGISTICS TEAM ONLY (Unless a qualifying Free Freight program is in place with Vendor).**
- 5) Unless otherwise instructed, Scheels Logistics will provide the Bill of Lading, which must be used to insure proper carrier and rating instructions. Scheels Logistics will fax or 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.
- 6) 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.
- 7) At time of shipping, please email a copy of the signed bill of lading to logistics@scheels.com
- 8) Shipping Labels must be affixed in a clearly seen spot on all pallets and boxes.
- 9) 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.
- 10) 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.

Routing Request Logistics Portal

As outlined on page 8, if shipment qualifies to ship via UPS, there is no need to enter into Scheels Routing Request Logistics Portal for shipping confirmation.

Unless approved by Scheels Vendor Compliance to submit routing requests via e-mail, please route through Scheels Routing Request Logistics Portal going forward.

- Scheels Routing Request Logistics Portal may be found by inputting the following URL into your web browser:
<http://scheelslogistics.com/LogisticsPortal/signin.aspx>
- Click on “Continue as Guest” to submit a routing request.

Screen 1: Enter your contact information to include name, phone # and E-mail address. Click on “Next”

Vendor Contact Information

Enter in your contact information

Name:

Phone:

Email:

Screen 2: 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 a non-recognized PO you can still proceed through the portal, click on NEXT to continue.
- ### Purchase Orders

Add all orders that are a part of this shipment

Directions

- Enter in Scheels-provided PO#
- Click Add
- Repeat until all PO's have been entered.

Scheels PO#

PO#	Vendor	Store	Manual PO

Screen 3: Enter your origination address and pickup availability times:

- If you have any special instructions, please add them in the notes section.

Origination Address

Enter in address where product is shipping from

Pickup Available: 05/19/2015

Vendor Name:

Addr 1:

Addr 2:

City:

State:

Zip:

Notes:

Routing Request Logistics Portal

Screen 4: 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.

Shipment information

Directions

Please enter number of pallets and cartons

Total Pallets:

Total Cartons:

Due to UPS Dimensional rules, please provide the following details as these shipments may still go via UPS

Are any cartons greater than 48in Length?

Yes No

How Many?

Two Largest Carton Sizes

L x W x H: x x Qty:

Only 1 Carton Size? Yes No

L x W x H: x x Qty:

[Back](#)

[Next](#)

Screen 5: Enter shipment Details:

- Choose either Pallet weight (individual) or Total Shipment Weight. **You can only select one.**
- MAKE SURE PALLET WEIGHT IS INCLUDED IN TOTAL WEIGHT.**
- Enter product Description. Example: Bikes
- Choose either Length, Width, Height **OR** Cubes (Cubic FT). You can only select one. **IMPORTANT: Please be as accurate as possible.**
- Option to enter NMFC Codes.

Shipment details

Directions

Please enter weight per pallet if known. Otherwise enter total weight for shipment

Pallet Weight Total Shipment Weight

Total Weight (LB):

Pallet 1 of 2

Description:

Please enter either cubes or length, width, and height

Cubes (Cubic FT):

or

Length (IN):

Width (IN):

Height (IN):

NMFC Code(s)- Up to 5 Codes per pallet:

[Back](#)

[Next Pallet](#)

Screen 6: Confirmation page: Please make sure all details are correct, click on Confirm.

- If you have another request for another location, click "New Shipment" (Be sure to put a check mark in front of Same Origin Address, as the program will then save your name, phone, email and origination address for your next order).

Shipment Complete

Thank you for your order if you have any changes or cancellations to this request please contact logistics@scheels.com

Use Same Origin Address

[New Shipment](#)

- If you do not receive routing instructions within 48 hours or if you have any questions, please e-mail Scheels Logistics to check the status of your request.

International Import Shipments

- 1) A detailed packing list and invoice must be submitted for each container or less than container. The Company's name, address, phone number, fax 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:
 - a) For the account of: Scheels, 4550 15th Avenue South, Fargo, ND, 58103.
 - b) INCO terms of sale: FOB, DDU, etc.
 - c) The Notify Party (as indicated in the letter of Credit) as follows:
 - Scheels Corporate Office
 - Attn: Ron Martin, Licensed U.S. Customs Broker/Logistics
 - Imports@mmeinc.com
 - 4550 15th Avenue South, Fargo, ND, 58103
 - d) The Port of Loading
 - e) The Port of Discharge
 - f) The Carrier, Vessel, and Voyage #
 - g) Place of Delivery (as designated by Ron Martin, Licensed U.S. Customs Broker)
 - h) Insurance covered by
 - i) Invoiced for (the number of cartons of type of product)
 - j) The Commercial invoice must have a full description of goods shipped, including the HTSUS #, in order for it to be classified properly to pay the correct customs duties.
 - k) Sailing date (on or about)
 - l) Net weight
 - m) Gross weight
 - n) Shipping marks
 - o) Packing list must be complete and signed by an Authorized officer or representative of the company.
 - p) 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:
 - Ron Martin
 - Licensed U.S. Customs Broker
 - E-Mail: Imports@mmeinc.com(ISF template forms can be requested at Imports@mmeinc.com.)
 - q) 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.

Freight Claims

- 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) 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.

Defectives & Returns

- 1) **Defective Returns for Credit:**
 - a) Vendor is responsible for all return freight charges when defective product is returned. Freight should either ship on vendors account number, call tag should be issued or credit for the freight charges Scheels incurs on their account should be issued.
 - i) Any exception to this needs to be approved by Scheels Vendor Compliance.
 - b) 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.
 - c) 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.
 - d) 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.
 - e) Upon receipt of returned merchandise, Vendor must make their evaluation and decide on acceptance or rejection of the Return.
 - f) 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 item #'s, for which the credit is being issued.
 - g) 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.
 - h) 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.
- 2) **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, 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.**
- 3) **Unauthorized Merchandise:** Scheels is only responsible for the total merchandise ordered on any given Purchase Order. 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 \$30/hour (industry standard) administrative fee for the time spent by Scheels staff to return said product. In addition, vendor is responsible for the initial freight charges on any orders returned or refused due to above reasons.
- 4) **Credit Memos:**
 - a) Reference Scheels claim # on all credit memos.
 - b) All credit memos should be e-mailed to **CO_AP@scheels.com**
- 5) **Past Cancel Shipments:** Any orders shipped past the cancel date on Scheels PO's (without prior approval) may be returned to the vendor at their expense. Scheels is not responsible for any restocking fees or freight charges for these shipments.

Cost Discrepancies, Terms Discrepancies and Billing**1) 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.

2) Invoicing and Billing Requirements:

- a) All invoices should be sent via EDI (preferred), e-mail, or USPS.
- b) Please do not submit invoices by more than one method.
- c) DO NOT send original invoices in cartons with shipments or use copies of original invoices as packing slips. Any invoices received late due to these practices, will be paid with discount terms applied. For example, if your invoices 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 2% terms discount applied.
- d) All invoices are processed based on the date of **receipt of goods**. In the event that 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.
- e) 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).

Chargeback Review

Any chargebacks listed below are NOT being put in place to form a profit center, but rather to offset any administrative costs Scheels incurs due to non-compliance of our Vendor Compliance Guide. It is at Scheels discretion whether or not these chargebacks will be enforced. We strive to partner with our Vendors. As a result, any possible chargebacks will be clearly communicated to the Vendor prior to any deductions taking place.

Possible chargebacks a Vendor may incur are as follows (but not limited to):

- 1) Failure to sign and return page 20 of this Vendor Compliance Guide **WITHIN 30 DAYS OF RECEIPT**, may result in a charge back of \$25/day for each day past this date. The exception to this, is if vendor contacts Vendor_Compliance@scheels.com for approval to extend this window within reasonable terms, as deemed/approved by Scheels Vendor Compliance.
- 2) **Labeling & EDI Chargebacks:**
 - a) Failure to place the UCC-128 label on each carton shipped or label placed on incorrect carton may result in a chargeback of \$25/carton that is incorrectly labeled or missing a label.
 - b) 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.
 - c) **The 856 ASN must match the shipment.** A chargeback of \$25/document may be assessed to the vendor for each incorrect document for repeat offenses.
 - d) The 810 Invoice must be sent within 24 hours of shipment pickup from vendor's warehouse. Vendor may receive a non-compliance chargeback of \$25/missing document for repeat offenses.
- 3) **Shipping & Delivery Requirements:**
 - a) If vendor provides a pick-up date and product is not ready for pick-up upon arrival, vendor may be charged back for any "truck not used" fees Scheels incurs from the carrier.
 - b) If a reweigh/reclass occurs due to incorrect information being received from vendor during initial routing request, vendor may be charged back for the freight differential due to incorrect information being provided.
 - c) If vendor uses their BOL and Scheels incurs additional freight charges due to this, vendor may be charged back for the freight differential due to non-compliance.
 - d) Items that arrive prior to the "DATE TO SHIP" or that ship less than 5 days prior to the "DATE CANCELLED" on the purchase order, may result in a chargeback to your company.
- 4) **Freight Chargebacks:**
 - a) Any freight billed to Scheels that qualified for a Free Freight program, may be billed back to the vendor, plus \$30/hour (industry standard) to cover Scheels time to compile the claim.
 - b) Any freight billed to Scheels through an unauthorized carrier (i.e. not routed through Scheels Logistics), may be billed back to the Vendor as follows: Freight differential between billed charges and Scheels quoted cost, plus \$30/hour (industry standard) to cover Scheels time to compile the claim.
 - c) Any freight shipped prepaid and billed on invoice by the Vendor (unless approved by Vendor_Compliance@scheels.com), may be billed back to Vendor as follows: Freight differential between billed costs and what Scheels costs would have been if routed per our guidelines, plus a \$30/hour (industry standard) administrative fee for Scheels time.
 - d) Any freight shipped next day or two day air (without proper approval, in writing), may be billed back to Vendor as follows: Freight differential between billed freight costs and ground freight costs, plus a \$30/hour (industry standard) administrative fee for Scheels time.
 - e) If a freight carrier audits a shipment and charges a reweigh or reclassification inspection fee due to errors in Vendors classification, weight, or dimensions, additional freight charges may be billed back to Vendor
 - f) If Vendor 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.
 - g) 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 \$30/hour (industry standard) administrative fee to offset the time spent by Scheels to return said product. (Scheels is not responsible for any restocking fees or freight charges for these shipments.)
- 5) **Defectives and Returns:**
 - a) Failure to respond in a timely manner as communicated on page 14 may result in automatic deduction from our next payment.
- 6) **Cost and Terms Discrepancies:**
 - a) Failure to respond in a timely manner as communicated on page 15 may result in automatic deduction from our next payment.

Marketing/Photography Requirements**1) Image Requirements:**

- a) Minimum of 300 DPI resolution.
- b) Options for transferring images:
 - i) E-mail to Line Leader contact or marketing_office_graphics@scheels.com.
 - ii) Placed on SCHEELS ftp site
 - (1) ftp.scheelssports.com
 - (2) Username: scheels (all lower case)
 - (3) Password: scheels (all lower case)
 - (4) E-mail video@scheels.com once upload is complete
 - iii) Mail jump drive to Scheels contact.
 - iv) Use a site such as dropbox to load images. E-mail to your contact once upload is complete.

2) Sample Requirements:

- a) Please send any samples to:
SCHEELS Corporate Office
Attention: Marketing
4550 15th Ave South
Fargo, ND 58103
- b) Scheels does not pay for samples.
- c) All samples are property of Scheels, unless specified by vendor.
- d) If a Vendor sends in samples, it must be done at no charge (this includes any transportation charges).
- e) If sample is to be returned, please include a call tag or shipping label, as well as the date by which sample should be returned.
- f) Scheels will not resell sample product in our stores. However, Scheels does reserve the right to make final disposition of all samples after a reasonable period of evaluation.

3) Video Requirements:

- a) **PREFERRED: HD 16:9 Apple Pro Res 422 MOV's**
- b) We can also accept (but don't prefer): MP4's
- c) We do NOT accept standard definition video.
- d) Video can be transferred via Scheels FTP site or a dropbox site.
 - i) Placed on SCHEELS ftp site
 - (1) ftp.scheelssports.com
 - (2) Username: scheels (all lower case)
 - (3) Password: scheels (all lower case)
 - (4) E-mail video@scheels.com once upload is complete
 - ii) Use a site such as dropbox to load images. E-mail to your contact once upload is complete.

ONLINE AGREEMENT

This Agreement describes the terms pursuant to which SCHEELS All Sports, Inc. ("SCHEELS") is willing to represent and sell products from the above listed Vendor online.

General Requirements and Conditions

- 1) By signing this Agreement, Vendor grants SCHEELS authority to sell and represent Vendor's products online.
- 2) This Agreement authorizes but does not require SCHEELS to represent and sell Vendor's products on SCHEELS' scheels.com site. Vendor also acknowledges through this Agreement that Vendor's products may or may not be represented and featured on SCHEELS Experience site (depending on provided content) including, but not limited to, the following social media sites and locations:
 - a) www.scheels.com
 - b) www.experience.scheels.com
 - c) Facebook
 - d) Twitter
 - e) YouTube
 - f) Instagram
- 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 that the needs of the consumer and of the Vendor are being met. Specifically:
 - a) SCHEELS assists consumers with product warranty issues and will provide assistance in the repair or replacement of products warranted by Vendor.
 - b) SCHEELS provides acknowledgement 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, or letters.
(Monday-Friday, 8-5 Central Time, with extended hours during the Christmas/Holiday season)
 - d) SCHEELS provides a dedicated Internet team to respond to consumer inquiries, usually within a 24 hour time period.
(Monday-Friday, 8-5 Central Time, with extended hours during the Christmas/Holiday season)
 - e) SCHEELS provides a "shop by brand" feature on its website with vendor landing pages when/where applicable.
 - f) SCHEELS utilizes an online order encryption service (i.e. VeriSign) on scheels.com to ensure secure ordering.
 - g) SCHEELS Terms & Conditions, Return Policy, Privacy Policy, and Shipping Information are clearly outlined within the footer navigation of the scheels.com site.

Orders and Sales

- 1) SCHEELS will only represent and offer for sale online those items for which SCHEELS has placed a preseason order and the items are regularly inventoried. All online product representation is based primarily on SCHEELS pre-existing orders or instruction provided by SCHEELS buying team. SCHEELS is not obligated to make additional purchases of products from Vendor just because Vendor has approved online sales, as SCHEELS does not have a distribution center. 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) Scheels' scheels.com site does not have the capability to link products to another site, including the Vendor's own product site, nor will SCHEELS sell or represent Vendor's products/brands through any third party affiliate.
- 3) 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.
- 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 specs/details.

ONLINE AGREEMENT

- 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) 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 SCHEELSEver.”

If there are any additional specifications or other information that Vendor proposes, please list that information here for consideration by SCHEELS:

Scheels Vendor Acknowledgement

- 1) Failure to sign and return Scheels Vendor Compliance Guide within 30 days from receipt may result in a chargeback of \$25 for each day past the 30 day approval window. The one exception to this is if vendor contacts Vendor_Compliance@scheels.com for approval to extend this window within reasonable terms, as deemed by Scheels Vendor Compliance.
- 2) All Vendors are expected to comply with all procedures contained herein. Non-Compliance with any of these procedures may result in a chargeback for the expenses incurred by Scheels for operational costs due to problems in processing your merchandise at our store locations.
- 3) Additional costs related to poor quality or late deliveries, including but not limited to customer damage claims, replacement merchandise and product recalls, may be applied.
- 4) It is our intent to issue a charge or debit against the Vendor's account for all defective merchandise, violations and penalties (including freight) involved with reworking, repairing or returning defective goods to the Vendor from our customers. The amount of the claim will be clearly communicated to the Vendor in writing **and will be deducted from your next payment.**
- 5) Scheels reserves the right to add, modify or increase chargeback amounts for repeated or gross violations.
- 6) Signing and returning this Agreement does not guarantee that Vendor's product/brand will be represented on SCHEELS site. The return of this Agreement simply gives SCHEELS the express approval to do so.

All Vendors Must Read and Sign Below

I have read and acknowledged the terms and conditions as outlined in the Scheels Vendor Compliance Guide. 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 accept PAGE 20 via Scheels online Vendor Portal.

Fax or e-mail back to Scheels Vendor Compliance at:

Fax: 701.298.0802

E-mail: Vendor_Compliance@scheels.com

Signature

Date

Printed Name

Company Name

Title

Brands Covered