



ONLINE COMMERCE GROUP, LLC.

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SUPPLIER AGREEMENT

Supplier(s) grant(s) Online Commerce Group, LLC (OCG) permission to, at OCG's discretion, display for sale certain products [Product(s)] produced and/or sold by the Supplier(s) on one or more of OCG's e-commerce websites [Site(s)].

This agreement specifies the terms and conditions regarding the respective rights, obligations and requirements between OCG and the Supplier(s) concerning the display and sale of Product(s) on the Site(s).

Read this agreement carefully. If your company is approved to be a Supplier for OCG, then your full compliance with this agreement is expected from the date signed until this agreement may be/is terminated by either OCG or the Supplier.

1. OCG's Responsibilities

- 1.1 OCG will provide the primary customer service for the Product(s) displayed on OCG Site(s).
- 1.2 OCG will assume the credit risk on all sales transactions (bank transfers, fees, credit cards, etc.).
- 1.3 OCG will accept and process all returns of Product(s), when authorized by OCG.
- 1.4 OCG will display for sale the Supplier's Product(s) on OCG Site(s), subject to sole approval by OCG. Removal of any Product(s) from OCG's Site(s) may occur at any time, for any reason, without notice.
- 1.5 OCG will provide access to OCG's order management system, **SupplierOneView.com**, for Supplier(s) to: track **Purchase Orders (PO)** sent by OCG; view **Sales, Sales Summaries, Nonconformances, and Product Summary (additions, revisions, and deletions)**; print **FedEx labels**; utilize **Billing Capabilities**; and share **PO "notes"** between OCG and Supplier(s).
- 1.6 Supplier(s) will receive payment from OCG through **net 30** within two (2) business days on either the 5th and/or 20th of the month for sold and invoiced Product(s). Special terms may be applied to the payment of the Supplier(s), when previously agreed upon by OCG and the Supplier(s).

2. Supplier's Responsibilities

- 2.1 **Supplier(s) agree(s) to provide OCG with the most current, correct, necessary and up-to-date product information, pictures, pricing and detailed specifications.** Failure to do so may cause the Supplier(s) to incur a **Nonconformance Penalty**. See below 2.4.
- 2.2 Supplier(s) will input any/all warranty information for the Product(s), group of Product(s) or individual Product(s) specified by the manufacturer **and** as required by Federal, State and/or local law.
- 2.3 Supplier(s) will maintain sufficient quantities of any Product(s) listed with OCG. Communication of **current inventory is critical**, since multiple Site(s) may display the Product(s). It is the Supplier(s) responsibility to maintain an up-to-date inventory and accurate pricing through **SupplierOneView.com**.

Note that, if a PO is sent to the Supplier(s) and is unable to be filled due to lack of inventory maintenance, an **Out of Stock Nonconformance** will be applied to the Supplier(s) account.
- 2.4 **Nonconformance** - Failure to comply with the requirements stated in the terms and conditions of OCG to display for sale the Product(s) currently listed on OCG's Site(s). A **Standard Nonconformance Fee** of \$5 is the penalty for each infraction. This penalty is charged to bring attention to the Supplier(s) responsibilities as stated in these terms and conditions.

Since **Nonconformance** issues cost time and resources to address, a **Nonconformance** penalty policy has been established. This fee helps cover OCG's cost of contacting and compensating the customer, especially when OCG has to refund money or offer a discount or coupon to retain the positive opinion of a customer.

- 2.4.1 **Nonconformances** will be evaluated quarterly (*January-March/April-June/July-September/October-December*) and a **Supplier Report Card** will be generated. If a Supplier receives **three (3) Nonconformances** within any **two (2) consecutive Supplier Report Cards**, then OCG may have cause for possible suspension or termination of services. *Please note fees*

may be waived on a case by case basis. An example would be, if the Supplier(s) is found not to be directly at fault for a Nonconformance, the penalty may be waived.

2.4.2 Nonconformance Penalties

2.4.2.1 Wrong Product(s) Shipped

Product(s) is not what the customer ordered, or what is listed on the invoice.

2.4.2.2 Product(s) Shipped Incorrectly

Product(s) sent to incorrect address or with incorrect carrier (i.e. FedEx not USPS).

2.4.2.3 Damaged or Defective Product(s)

Product(s) are damaged or defective due to no fault of the carrier/delivery service employed.

2.4.2.4 Product(s) Shipped Late

Product(s) was not shipped within the established lead time set by the Supplier(s).

2.4.2.5 PO Acknowledged Late

PO was not acknowledged within OCG's 48 hour grace period.

2.4.2.6 Product(s) Out of Stock

Supplier(s) has not maintained an accurate inventory. Product(s) do not have an Out of Stock status prior to the order being placed.

2.4.2.7 Lack of Communication

Supplier(s) fails to respond to OCG's correspondence (*customer service inquiries, notes, emails, messages or phone calls*) within three (3) business days (*72 hours*) of correspondence being sent.

2.4.2.8 Measurement Discrepancies

Supplier(s) has incorrect shipping dimension(s) or shipping weight(s) that cause the shipping *charge* to be less than the actual shipping *cost* will result in the following penalties:

2.4.2.8.1 **1st infraction** – Standard Nonconformance Fee of \$5;

2.4.2.8.2 **2nd infraction** – Supplier(s) will pay the difference of the shipping charge from the actual shipping cost;

2.4.2.8.3 **3rd infraction** – Supplier(s) may be suspended pending an evaluation to determine if any additional action beyond the previously stated penalty is necessary. *Please keep in mind that fees may be waived on a case by case basis. An example would be, if the Supplier(s) is found not to be directly at fault for a Nonconformance, the penalty may be waived.*

2.5 Supplier(s) will ship all Product(s) through one the following options:

2.5.1 SHIPPING WITH UPS/FEDEX GROUND:

2.5.1.1 OCG's FedEx Account:

OCG has negotiated FedEx rates that quote customer shipping cost according to Product(s) shipping dimension(s)/weight(s). Supplier(s) will receive a PO within **SupplierOneView.com** that includes OCG's shipping method and instructions.

Supplier(s) agree(s) to properly package the Product(s) on the PO to reduce the likelihood of damage during shipping. Sufficient packaging is the responsibility of the Supplier(s) on all FedEx/UPS shipments. Supplier(s) will be held responsible for any claims determined by FedEx/UPS as a result of insufficient packaging.

2.5.1.2 Supplier(s) Account:

Supplier(s) account may be used when it is the cheapest shipping cost to the customer(s). If these rates are more competitive than OCG's (usually based on the volume shipped on a monthly basis), then OCG may request that the Supplier(s) rate/account be used. The Supplier(s) shipping cost will be added to the customer(s) invoice(s) by OCG.

Supplier(s) agree(s) to properly package the Product(s) on the PO to reduce the likelihood of damage during shipping. Sufficient packaging is the responsibility of the Supplier(s) on all FedEx/UPS shipments. Supplier(s) will be held responsible for any claims determined by FedEx/UPS as a result of insufficient packaging.

2.5.2 SHIPPING WITH WHITE GLOVE STANDARD AND/OR PREMIUM DELIVERY SERVICES:

2.5.2.1 Supplier(s) will use White Glove Transportation Providers, per OCG, to handle any/all bulky, heavy, fragile and special care item(s). White Glove Transportation Providers also handle any shipment(s) that require(s) special light assembly or basic setup. **All White Glove shipped Product(s) (furniture, mirrors, specialty items, etc.) become the responsibility of OCG after the Product(s) is inspected on the dock, loaded, and signed away by the Supplier(s).** Supplier(s) will not be responsible for any returns. If White Glove provider determines that the Product(s) lack(s) any hardware or other piece(s) that could not be ascertained by a cursory inspection, then the Supplier(s) agree(s) to ship the missing pieces to OCG or directly to the customer at no additional cost.

OCG's White Glove Service is with HomeDirect USA (www.homedirectusa.com). HomeDirect USA offers the following levels of service:

2.5.2.1.1 Bronze Service

Includes a two-person delivery that includes merchandise being carried up no more than two (2) flights of stairs prior to being carried inside the threshold. If any shipment includes more than four pieces or any one piece weighs more than 300 lbs., the shipment will be delivered no farther than the first available dry area or garage. Any crated or palletted merchandise will be delivered no farther than the first available dry area or garage.

2.5.2.1.2 Silver Service

Includes two (2) flights of stairs once inside the threshold and inside placement of the merchandise, as well as the above stated service.

2.5.2.1.3 Gold Service

Includes unpacking, debris removal and setup that is limited to no more than 15 minutes and does not involve the use of any tools, as well as the above stated service. *See 2.5.2.1.5 for further details involving setup and fees.*

2.5.2.1.4 Platinum Service

Includes light assembly than does not exceed more than 30 minutes, as well as the above stated service. *See 2.5.2.1.5 for further details involving setup and fees.*

2.5.2.1.5 Any additional setup service that exceeds the allotted time will be charged at a rate of \$22 per 15 minutes. Setup does not include any electrical, plumbing or other component hookups.

2.5.3 **Alternate shipping methods** or accounts may be used, if agreed upon previously by OCG and Supplier(s).

2.6 Supplier(s) agree(s) to update each PO sent through *SupplierOneView.com* with the correct tracking information.

Supplier(s) will only be able to enter the tracking number once, so it is extremely important that it is **correct**. Once the tracking number is entered an automated email is sent notifying the customer(s) that the shipment of their Product(s) has occurred/will occur within the Supplier(s) previously established lead time.

3. Return of Product(s)

3.1 Defective Product(s):

3.1.1 Product(s) damaged prior to or during shipment; or

3.1.2 Used, worn, or soiled Product(s) that in any way prevent the Product(s) from being used for its intended purpose.

Supplier(s) will have three (3) business days, after receiving notification of the defect from OCG, to issue a Return Authorization (RA) label, arrange to replace the Product or credit OCG for doing either or both. OCG will provide pictures of the defective Product(s) to the Supplier(s).

3.2 Refused or Undeliverable Product(s):

3.2.1 Product(s) refused by the customer(s); or

3.2.2 Carrier/delivery service is unable to deliver the Product(s) to the customer(s) for any reason.

If returns are not allowed by the Supplier(s), then all refused/undeliverable Product(s) become the sole responsibility of OCG.

3.3 **Wrong Item or Duplicated Delivery of Product(s):**

- 3.3.1 Product(s) shipped to the customer(s) in error;
- 3.3.2 Product(s) not ordered by the customer(s); or
- 3.3.3 Not the exact/correct Product(s) ordered by the customer(s).

Supplier(s) will have three (3) business days, after receiving notification of the error from OCG, to issue a RA label, arrange to replace the Product or credit OCG for doing either or both. OCG will provide pictures of the Product(s) to the Supplier(s). OCG will respectively deduct and/or offset the following fees from the scheduled payment(s): the cost of the Product(s) and/or the cost of the RA label.

3.4 **Warranty Claim Product(s):**

Pursuant to the manufacturer or distributor warranty (*whichever is applicable*), the Product(s) that qualify for the submission of a claim.

- 3.4.1 For all Warranty Claim Products for which Supplier(s) provide(s) the warranty, OCG will notify the Supplier(s) through **SupplierOneView.com** that a return has been initiated by the customer(s).
- 3.4.2 Supplier(s) will have three (3) business days, after receiving notification of the claim, to arrange repair or replacement of the Product(s) at the expense of the Supplier(s). If replacement or repair of the Product(s) cannot be compensated by the Supplier(s), then OCG will respectively deduct and/or offset the cost of the Product(s) from the scheduled payment(s). OCG will provide the customer(s) with the appropriate manufacturer's warranty information.

3.5 **Damaged Product(s) Policy:**

Supplier(s) agree(s) to properly package the Product(s) on the PO to reduce the likelihood of damage during shipping. Sufficient packaging is the responsibility of the Supplier(s) on all FedEx/UPS shipments. Supplier(s) will be held responsible for any claims determined by FedEx/UPS as a result of insufficient packaging. Supplier(s) will be held entirely responsible for claim management. OCG will respectively deduct and/or offset the incurred fees from the scheduled payment(s).

3.6 **Buyer's Remorse Product(s):**

Buyer's Remorse Product(s) are Product(s) that have been received by the customer(s) who desire to return the Product(s), but do not meet any of the requirements stated above in the subcategories of Return of Product(s). OCG will process, accept and receive the title and/or possession of each returned Product(s). Supplier(s) will not be held accountable for any Buyer's Remorse claims unless the Supplier(s) agree(s) to accept the returned Product(s) based on a 25% restocking fee to be paid by OCG.

4. **Terms and Termination**

- 4.1 Supplier(s) or OCG may terminate this Agreement, with or without cause, with 30 days written notice prior to termination.
- 4.2 All Product(s) obligation(s), payment and delivery, will remain in effect after the termination of this Agreement by the Supplier(s) or OCG until satisfied.

5. **Insurance**

Commercial insurance coverage must be obtained and maintained by and at the expense of the Supplier(s). OCG reserves the right to require proof of insurance at OCG's discretion.

6. **Indemnification**

- 6.1 Supplier(s) will release, indemnify, and hold harmless OCG from and against any claims, demands, liens, rights, liabilities, obligations, damages, and penalties, causes of action, costs and expenses (including without limiting, reasonable attorney fees and costs.) [collectively Claim(s)] imposed upon, incurred by or asserted against OCG as a result from any act, omission or breach of any provision of this Agreement by Supplier(s), including any of the Supplier(s) employees or agents under this Agreement.
- 6.2 Supplier(s) will defend, hold harmless and indemnify OCG against any Claim(s) by third parties alleging that the Product(s) infringe such third party's intellectual property rights (e.g., patent, trademark, copyright, trade secret, etc.).

6.3 Supplier(s) will defend, hold harmless and indemnify OCG against all Claim(s) arising out of the design, manufacture, production, assembly, packaging, labeling, shipping, instructions, advertising, personal injury, property damage and in general any damages that arise or may arise as a result of the sale of the Product(s).

7. **Guarantees**

Supplier(s) makes the following guarantee regarding each Product(s) displayed on the Site(s):

7.1 Supplier(s) confirm(s) that unless otherwise agreed in writing and stated within the product description, all Product(s) are new, first-quality merchandise, and are free from all defects in workmanship, material(s) and design(s).

7.2 **Supplier(s) confirm(s) that all documentation provided in connection with the Product(s) is accurate.**

7.3 Supplier(s) confirm(s) that all Product(s) are transferred free and clear of all liens and/or encumbrances.

7.4 Supplier(s) confirm(s) that all Product(s) displayed on OCG's Site(s), offered or authorized by Supplier(s) will at all times comply with all applicable federal, state, local and foreign statutes, laws, rules, regulations and orders, standards and guidelines, including, but not limited to those rules and regulations of the Federal Trade Commission, the U.S. Postal Service, the Consumer Product Safety Commission (www.cpsc.gov) and the Federal Communications Commission (collectively, "Laws"). If not in compliance, Supplier(s) shall notify OCG in advance of placing any Product(s) on the Site(s) that require(s) an accompanying warning or disclosure.

8. **No Back Solicitation**

OCG requires the Supplier(s) not to contact our customer(s) directly.

8.1 OCG has an extensive vested interest in customer development. As a supplier for OCG, the Supplier(s) agree(s) to refrain from **ANY** solicitation(s) by any and all of its employees, sales reps, distributors, or commissioned sales staff regarding customer(s)/contract client(s) introduced by OCG during the life of this Supplier Agreement for a period of two (2) years after the termination of the Supplier Agreement. Any revenue obtained by the Supplier(s) or the outside agent(s) of the Supplier(s) through any attempts to circumvent the relationship of OCG with any underlying customer during the above mentioned time period will be subject to a payment of twenty percent (20%) commission or finder's fee to OCG for all transactions that take place for a period of two (2) years.

9. **No Supplier Self-Promotion on Product(s)/Packing Slip(s)**

OCG requires that the Supplier(s) not include information such as the name, address, phone, or web address of the Supplier(s) on any of the following: Product(s) (including but not limited to: stickers, brochures, flyers, engravings, or hang-tags), packing slip(s), packaging (including but not limited to: boxes or pallets), Product(s) sold through any of OCG's wholly-owned subsidiary Site(s). **Exceptions may be made in the case of national brands and/or Product(s) (residential or commercial) not sold directly to the general public on any of Supplier's (Suppliers') website(s).**

10. **Publication Rights**

Unless otherwise agreed in writing, Supplier(s) grant(s) OCG the irrevocable right, by all means now of hereafter existing to:

10.1 Market, promote, sell and distribute the Product(s) of Supplier(s) through OCG's wholly-owned subsidiary divisions;

10.2 Use and/or sublicense the trademarks, trade names, service marks, patents and copyrights [collectively, Mark(s)] registered, owned, licensed or used by Supplier(s) in connection with the promotion, sale and distribution of Product(s);

10.3 Use, perform, play, synchronize and/or demonstrate, respectively, the Product(s), the Product(s) content(s), and/or any promotional advertising or similar material supplied by Supplier(s) for use in connection with such Product(s) [known as Promotional Material(s)]; and use the names, photographs, likenesses, voices and/or biographies of any individuals performing in or otherwise associated with the production of the Product(s), the Product(s) contents and/or any Promotional Material(s).

11. **Notices**

Any notice or other communication(s) required or permitted herein will be given:

11.1 In writing and delivered in person; or

11.2 Sent by fax (facsimile)

Provided a hard-copy is mailed within 24 hours of the sending of the facsimile; or

11.3 Sent by Certified Mail or Registered Mail
Postage pre-paid and return receipt requested; or

11.4 Express couriered to the address(es) and fax (facsimile) number(s) specified on the Signature Page of this Agreement.

12. **Waiver, Amendment and/or Modification**

Any waiver(s), amendment(s) or other modification(s) of this Agreement will not be effective, unless the before stated written documentation has been signed by the party, OCG or Supplier(s), against whom such enforcement is sought.

13. **Severability**

The holding(s) of any provision(s) of this Agreement to be void, invalid or unenforceable will not affect the validity of the any other provision(s) of this Agreement.

14. **Governing Law**

This Agreement will be construed, governed and enforced in accordance with the laws of the State of Alabama.

15. **Entire Agreement**

This Agreement constitutes the complete and entire statement of all terms, conditions and representations of the Agreement between Supplier(s) and OCG with respect to its subject matter.

16. **Relationship of the Parties**

The relationship between the parties, OCG and Supplier(s), hereunder is not an employment relationship, joint venture, partnership or the like. Neither OCG nor Supplier has the authority to act on behalf of the other or to bind the other by any promise(s) or representation(s), unless specifically authorized in writing.

17. **Miscellaneous**

Each party, OCG and Supplier(s), agrees to pay and be responsible for its respective applicable sales, use, value-added and other taxes [known as Tax(es)] based on the sale or shipment of any Product(s). OCG shall collect and remit Tax(es) to the appropriate taxing authorities only in those jurisdictions where OCG has an existing tax nexus.

18. **Contact Information**

Supplier Contact Email: sourcing@onlinecommercegroup.com
Accounting Contact Email: accounting@onlinecommercegroup.com
Telephone Number: 334-558-0863
Fax (Facsimile) Number: 334-532-0912
Address: 3180 Wetumpka Hwy., Montgomery, AL 36110
Corporate Website: www.onlinecommercegroup.com
Supplier Portal: www.supplieroneview.com