



Creating physical connections in our digital world.

Vendor Routing and Compliance Guide

VERSION 1.3 | December 30, 2021



Vendor Routing and Compliance Guide

We appreciate your willingness to comply with this routing guide, allowing Lapine the best possible opportunity to reduce freight costs and non-compliant shipments. Our goal is to achieve a competitive advantage by customer and supplier working together strategically. This will allow Lapine to provide extraordinary service to our customers.

This Routing and Compliance Guide defines Lapine's expectations for your performance and details those processes that will streamline the relationship, improve performance, and ultimately grow our business. This is your reference manual to performance expectations.

Please note that at times the Lapine Purchase order will have specific instructions or an alternate routing guide that may differ from what is on the Lapine Routing Guide. The Lapine Purchase Order will always take precedence over the Routing Guide.

Please ensure this Vendor Guide is distributed to all parties within your organization who have a role in your ability to comply with the guidelines.



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General Shipping Requirements

The purpose of this section is to outline general requirements for Lapine shipments. All the below requirements must be met for every shipment prepared for Lapine.

Advance Shipment Notification Requirements

The following information needs to be sent at the time of shipment to tracking@lapineinc.com

This table will be sent to you via email along with the purchase order. The information MUST be completed in full which will enable Lapine to close out your order in our system and issue payment. If the information below is not supplied or is incomplete, your invoice will be put on hold.

Lapine PO #	Vendor Item #	Lapine Item #	Quantity Requested on PO	Actual Quantity Shipped	Actual Ship Date	Tracking or Pro #	Carrier Name

If no advanced shipment notice is given, then a \$100 chargeback will be charged per shipment.

Shipping Delays

Shipping and production delays must be communicated to a member of the expeditors department (expeditors@lapineinc.com) to provide the most current shipment information to our customers. Any delays need to be approved by the account manager and follow PO instructions; otherwise Lapine has the right to cancel the PO at no cost.

Packaging Requirements

- Optimize carton sizes to reduce overall supply chain freight costs by periodically reviewing packaging to determine if it is the optimal size for its contents. Excessive air space will increase freight costs and increase the chances of crushing and package damage. Cartons should have no more than a 0.5" gap between carton and contents.
- Seal all cartons to prevent accidental opening during warehouse handling and transport. Lapine recommends the use of tape rather than staples or glue. Tape should be at least 2" wide and should be applied evenly across the center seam of box flaps to ensure adhesion.
- Appropriate packaging includes, but is not limited to cartons, crates, pallets and any of the preceding in combination, or any other packaging method that ensures that product arrives free of damage.
- All shipping cartons must protect inner packs and individual selling units. Sufficient internal packing material must also be used to ensure adequate protection during handling and shipping (e.g., corrugated or wood dividers, corrugated corner protection, blow-in foam, items individually wrapped or bagged, etc.).



- Damage to merchandise in transit due to inadequate packaging will be the responsibility of the supplier, who will bear the full financial responsibility of remediation, repair, re-packaging, handling, freight, or full replacement costs.
- It is the vendor's responsibility to ensure that the packaging adheres to all applicable local and international laws.
- All packaging must be designed and manufactured to comply with all applicable standards as set forth by the National Motor Freight Classification (NMFC) to withstand the normal rigors of transportation and physical distribution processes.

General Palletization Requirements

- Place cartons of the same item (i.e., same SKU) together on the pallet by the quantity amount ordered.
- If possible, group each item together in a tier (layer). Separate each different by a piece of corrugate or Kraft paper. **Attach a pallet placard indicating the mixed item numbers and quantities contained on the pallet.**
- Do not mix the same item on the same PO across multiple mixed pallets.
- Place heaviest cartons on the bottom of the pallet to build a secure base.
- Use a bricklaying technique (alternating cartons) for heavier loads to create greater stability.
- Pallets must be secured with stretch wrap or straps.
- Corner posts are required to secure product not shipped in corrugated cartons.
- Maximum allowable overhang on pallets is 1"
- Max weight of a pallet is 2,000 lbs.

Palletization Requirements When Shipping to Distribution Center – Fulfillment America

All the above requirements must be met as well as:

- Max dimensions are 48" L x 40" W x 48"H (Dimensions include pallet and merchandise)
- Pallets that do not comply with these requirements may require break down services and additional charge backs will be deducted from the supplier invoice.

Packing Slip Requirements

A packing slip is necessary to ensure proper receipt of goods. Missing or incorrect packing slips cause delays in receipt of merchandise.

- For parcel shipments, the packing slip must be presented in a plastic "packing slip enclosed" pouch and attached to the outside of the lead carton for each shipment.
- For LTL and TL shipments, the packing slip should be clearly located in a plastic "packing slip enclosed" pouch on the **exterior of a box on the pallet #1**. The packing slip must be secured underneath any plastic or stretch wrap



- Include on the packing slip:
 - Ship from
 - Ship to
 - Lapine Purchase Order number – when shipping to distribution center (Fulfillment America)
 - Customer Purchase Order number – when shipping directly to customer
 - Vendor SKU
 - Lapine Item Number
 - Description of Merchandise
 - Quantity ordered
 - Quantity shipped
 - Number of Cartons
 - Color
 - Size
 - Weight

Note: Find an example of a packing slip in Appendix B.

A chargeback of \$100 will be assessed to any shipment that does not include a packing list when the shipment is delivered or if the packing list is inaccurate or missing information.

Carton Labeling When Shipping Direct to Customer

All carton markings specified on the purchase order or sent separately that pertain to that specific order must be followed in order for the merchandise to be received. Failure to comply will result in non-compliance fees and delays in supplier payments. On multiple carton shipments, each carton must be marked 1 of 10, 2 of 10, ..., 10 of 10, to indicate the total number of cartons for each carton of the shipment.

A chargeback of \$100 will be assessed to any shipment that does not adhere to the PO carton marking requirements.

Carton Labeling When Shipping to Distribution Center – Fulfillment America

- Each carton is to be boldly labeled with
 - Vendor SKU
 - Lapine Item Number
 - Lapine PO #
 - Quantity per carton
 - One SKU per carton unless clearly marked on label and packing slip
 - On multiple carton shipments, each carton must be marked 1 of 10, 2 of 10, ..., 10 of 10, to indicate the total number of cartons for each carton of the shipment.
 - A chargeback of \$100 will be assessed to any shipment that does not adhere to the PO carton marking requirements.



Shipments Using Lapine Freight Accounts

The purpose of this section is to provide the requirements for shipping purchase orders using Lapine's third party accounts. Below you will find the different types of shipments and how to process them accordingly.

Note: Failure to use the correct shipment type, the correct carrier, or the correct level of service will result in a \$100 chargeback plus a chargeback for the entirety of the freight charge when using the wrong carrier and difference in freight cost when using the wrong shipment type.

If the SHIP-VIA terms on the Lapine PO states "ROUTING GUIDE", please follow directions in the sections below to ship accordingly based on size and weight.

Small Parcel Shipments

- **Definition**
 - 1-150 lbs. (including dimensional weight), maximum 15 packages per ship to location.
 - No individual package can exceed 150 lbs. (including dimensional weight)
 - No individual package can exceed 108" in length.
 - No individual package can exceed 130" in length and girth combined (L + 2W + 2H)
- **Carrier:** UPS
- **UPS Customer Service Number:** 1-800-742-5877
- **Service:** Ground unless otherwise specified by Lapine PO, buyer, or purchasing administrator
- **Billing Terms**
 - 3rd party account will be provided on Lapine PO
 - Billing Address:
 - Lapine Associates, Inc.
 - 15 Commerce Road
 - Stamford, CT 06902
- **Insured/Declared Value**
 - Do not declare any value in this section.
- **Reference Number**
 - Orders shipping to Fulfillment America in Billerica, MA
 - Enter Lapine Purchase Order number without any characters or symbols in Reference Field #1. Lapine POs contain 6 numeric values



- **Orders to all other destinations**
 - Enter Lapine Purchase Order number without any characters or symbols in Reference Field #1. Lapine PO's contain 6 numeric values
 - Enter the Customer Purchase Order number in Reference Field #2
- **Notes**
 - Please follow all instructions provided above unless otherwise instructed per the Lapine Purchase Order
 - Vendors should strive to combine smaller cartons into larger cartons to minimize freight cost.
 - Any shipment executed at a higher level of service without prior written consent from Lapine will result in freight charges being reversed to the vendor and an additional \$100 chargeback will be assessed to cover administrative costs.
 - Unauthorized use of Lapine shipping account numbers will result in all unapproved charges being reversed to the vendor. An additional chargeback of \$100 will be assessed to cover administrative costs.
 - When shipping on Lapine's UPS shipping account number, the dimensions (Length x Width x Height) and weight for each package must be entered correctly when processing the shipment. Any charges or fees Lapine incurs due to the dimensions or weight not being entered correctly will be charged back to the Vendor for incorrect entry.
 - Failing to include a Lapine PO number with each shipment will incur a \$100 chargeback.

Air Shipments

- All air shipments must be authorized by Lapine Logistics team or buyer.
- Any unauthorized shipments will be charged back to the vendor along with any handling cost.

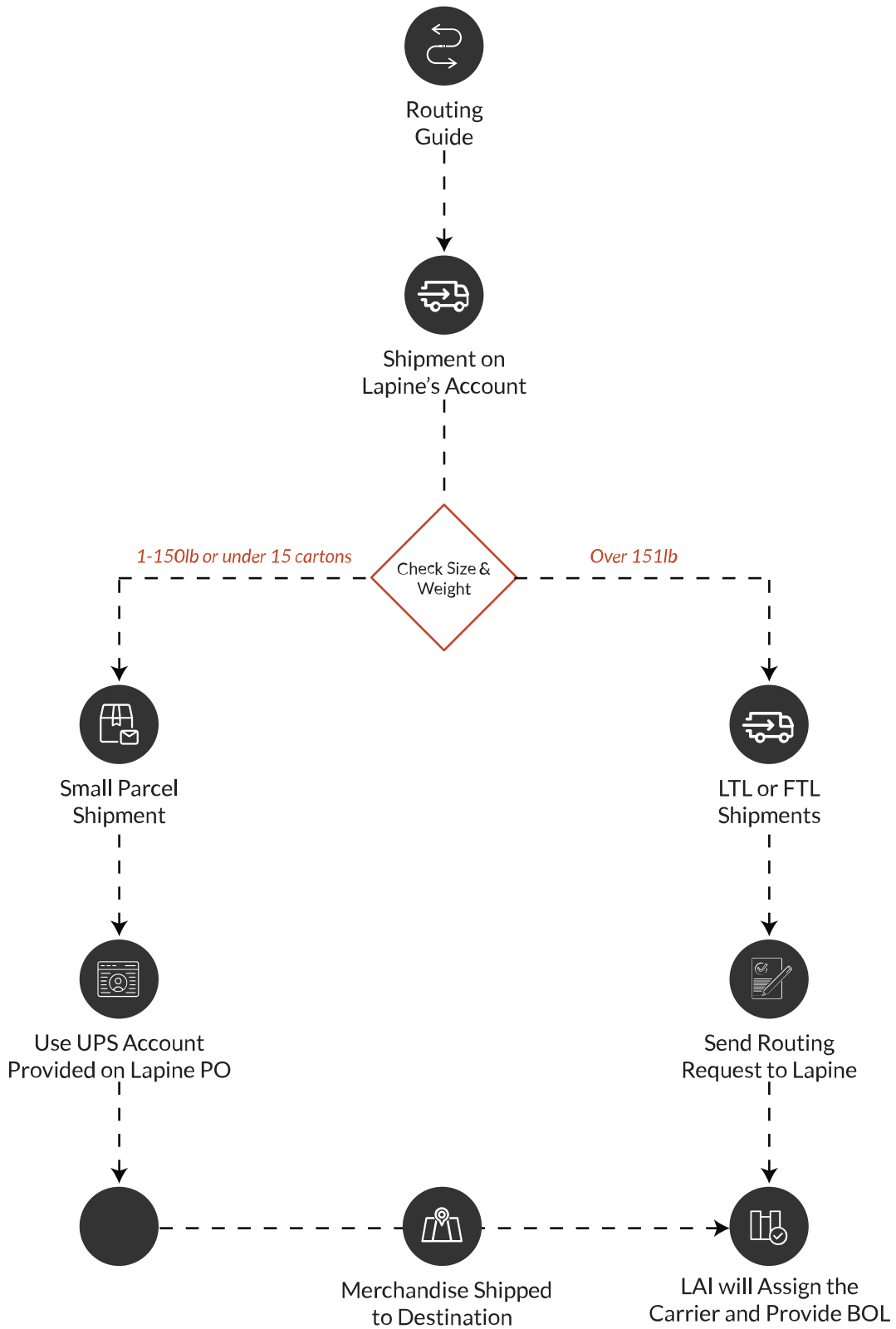
Less Than Truck Load – LTL, Spot Volume Load / Full Truck Load – FTL

- **Definition**
 - Shipments over 151 lbs.
 - Individual packages exceeding 150 lbs. or over 108" in length.
 - Individual packages exceeding 130" in girth (L + 2W + 2H)
 - Shipment meets density requirements (See below)

All LTL and FTL shipments where Lapine responsible for the freight will be Routed by Lapine Logistics team.

Routing Process

1. Contact compliance@lapineinc.com for Routing.
2. Lapine Routing Requests needs to send back to Lapine Logistics team at least 48 hours prior to a ship date.
3. Within 24 hours of receiving the Routing request at Lapine you will receive an email with BOL and Pallet labels when a carrier has been assigned to pick up your freight.





Prepaid Shipments (Vendor selects carrier and pays freight)

The Vendor is responsible for arranging transportation and all other logistics in shipping the product from shipping origin to Lapine DC
Any visible damages will be refused by warehouse team and amount deducted from Invoice.

Shipping to Distribution Center Routing – Fulfillment America Inc.

The purpose of the Distribution Center Routing section is to provide the requirements for shipping purchase orders to the Lapine Distribution Center, Fulfillment America Inc., located in Billerica, MA.

The Ship To address for shipments to the Lapine Distribution Center in MA is:

Fulfillment America Inc.
C/O Lapine Associates, Inc.
Lapine PO #XXXXXX
17 Progress rd.
Billerica, MA 01821

Delivery Appointments

A delivery appointment is required for all LTL and TL shipments. Detention charges are the responsibility of the supplier. Appointments are required for after hour deliveries and weekends and may be subject to additional charges. For delivery appointments email Fai.lpereceiving@fulfillmentamerica.com

Vendor Non-Compliance & Chargeback

Lapine reviews shipments to ensure compliance with our Routing Guide and Purchase Order instructions.

A list of all non-compliance fees and chargebacks can be found in Appendix A.

If your invoice has already been paid, Lapine may send a separate invoice or request a credit note for future orders based on vendor non-compliance.



Invoices

Please email all invoices to financegroup@lapine.inc

At minimum, your invoice must contain the following:

- Lapine PO #
- Payment terms as per Lapine PO
- Remittance address
- Freight costs if shipping terms are prepaid and add.
- Quantities shipped for each line item on our purchase order.
- Price per unit for each line item on the purchase order
- Vendor SKU #'s
- Itemized description

Contact Information

If there are any questions about requirements within this routing guide or concerns over being able to meet all requirements, please reach out to Lapine at one of the following:

- compliance@lapineinc.com
- Victor Sytnyk – Manager of Logistics - vsytnyk@lapineinc.com



Appendix A: Chargeback Table

Chargeback Reason	Chargeback Amount
Missing packing list at time of delivery	25 boxes or fewer: \$100 More than 25 boxes: \$250
Incomplete or inaccurate packing list	\$100
Incorrect or no carton markings	\$100
No Lapine purchase order reference for parcel shipments	\$100
Shipment arrived at incorrect location	Rerouting of freight + \$100
No advanced shipment notice	\$100
Unauthorized use of a higher level of service	Freight charges + \$100
Unauthorized use of Lapine shipping accounts	Freight charges + \$100
Improper or missing dimensions or weight for parcel shipments	\$100
Incorrect use of parcel, LTL, or TL shipping	Difference in freight + \$100
Failure to use specified carrier for Collect shipments	Freight charges + \$100



Appendix B: Example Packing Slip

Ship From:
Lapine Associates, Inc.
15 Commerce Road
Stamford, CT 06902

Packing List

Ship to:
Fulfillment America Inc.
C/O Lapine Associates, Inc.
Attn: Lapine Po #XXXXXX
17 Progress rd.
Billerica, MA 01821

PO #	Item #	Description	QTY Ordered	QTY Shipped	Cartons	Weight
123456	WB8902	White SS water bottle	6000	5000	250	4890
789101	WB2452	Blue SS water bottle	5000	5000	250	4890
Total:			11000	10000	500	9780



Please sign and return to compliance@lapineinc.com with your signature included.

I, _____ (full name – printed)

with _____ (company name),

have read and understand this guide in full. I am aware of all expectations provided to me by Lapine Inc. in this guide. Furthermore, I understand that if not followed properly, additional fees may result. These fees will be deducted from payment of merchandise related to said shipment(s).

Today's Date: _____

Signature: _____

Title: _____