



DROP SHIP VENDOR GUIDE

JUNE 28, 2023

Drop Ship Department

LORD + TAYLOR | 275 MADISON AVENUE, THIRD FLOOR, NEW YORK, NY 10016

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LORD&TAYLOR

Hello,

Thank you for participating in the Lord & Taylor drop ship program. We are excited for you to be working with us and appreciate your support as one of our drop ship vendors. This document is the Lord & Taylor Drop Ship Vendor Guide (the "Guide"). It is Version 1.2, and it is effective as of **June 28, 2023** ("the Effective Date"). It is being sent to you as a Lord & Taylor drop ship vendor ("Vendor"). Vendor, as a Lord & Taylor drop ship vendor, must use the DSCO drop ship system for all drop ship orders. This Guide shall remain in effect and shall apply to all drop ship transactions between Vendor and Lord & Taylor, until further notice. Compliance with this Guide is important for both of us so that we can have an efficient, successful drop ship program.

All merchandise purchased by Lord & Taylor and sold/delivered to Lord & Taylor's customers must comply with all applicable laws, rules and regulations. This includes (without limitation) all of the following:

- Products must be free from defects and harmful/toxic substances.
- Products must comply with California Proposition 65
- Products must satisfy any applicable registration and license requirement and be fit for sale by Lord & Taylor and use by our customers.

Lord & Taylor may in its sole discretion assess non-compliance charges pursuant to the Non-Compliance Charges Schedule set forth in this Guide. Vendor or agrees that: 1) the non-compliance charges set forth in this Guide are part of an agreement between sophisticated commercial entities; 2) such non-compliance charges are reasonable, and are not unreasonably large, in light of the anticipated harm caused by the non-compliance, the difficulties of proof of loss, and the inconvenience and non-feasibility of otherwise obtaining an adequate remedy; 3) such non-compliance charges are designed to facilitate the commercial relationship between the parties and avoid costly and burdensome litigation; and 4) assessment by Lord & Taylor of non-compliance charges in accordance with such schedule would be reasonable and not a penalty in any respect. Vendor further agrees that such non-compliance charges may be applied to the order at issue or to any other transaction between Lord & Taylor and Vendor. Vendor further acknowledges that Lord & Taylor's review process for determining the applicability of non-compliance charges is detailed and requires a substantial period of time, and at times takes several months, and Vendor agrees that such period is reasonable, and that Lord & Taylor shall be permitted such period to determine the applicability of such non-compliance charges and to determine whether to exercise any other rights with respect to the transaction.

Thank you,

Lord & Taylor

Lord & Taylor Dropship Vendor Guide

PERFORMANCE EXPECTATIONS

PERFORMANCE EXPECTATION	VENDOR CAPABILITIES
FULFILLMENT RATE (ORDER FILL RATE)	<ul style="list-style-type: none"> VENDOR IS REQUIRED TO MAINTAIN 98% OR HIGHER ORDER FULFILLMENT RATE WHILE PARTICIPATING IN THE DROP SHIP PROGRAM NON-COMPLIANT VENDORS WILL BE PLACED ON TEMPORARY PAUSE OR REMOVAL OF VENDORS' PRODUCTS FROM THE LORD AND TAYLOR WEBSITE.
SHIP ON TIME (SLA)	<ul style="list-style-type: none"> 'STANDARD GROUND SHIPPING' ORDERS MUST SHIP WITHIN 3 BUSINESS DAYS OF RECEIPT OF THE ORDER VENDORS ARE REQUIRED TO MEET OR EXCEED THE SHIP ON TIME SLA OF 97% OF ALL SHIPMENTS LORD & TAYLOR RESERVES THE RIGHT TO CANCEL ANY ORDERS WHICH ARE NOT SHIPPED WITHIN THIS SLA CHARGEBACK WILL BE ISSUED DUE TO UNRESPONSIVE VENDOR OR ORDER SHIPPED OUTSIDE OF SLA CANCELLATION CHARGEBACK WILL BE ISSUED FOR ORDERS OUT OF SLA THAT REQUIRE CANCELLATION.
RETAIL PRICE PER UNIT	<ul style="list-style-type: none"> \$25 USD MINIMUM RETAIL FOR ALL PRODUCTS SOLD THROUGH THE LORD & TAYLOR DROP SHIP PROGRAM

DATA REQUIREMENTS & SPECIFICATIONS

DATA REQUIREMENT	DATA SPECIFICATIONS
INVENTORY	<ul style="list-style-type: none"> ACTUAL INVENTORY QUANTITIES MUST BE DISPLAYED FOR IN-STOCK ITEMS; A '0' MUST BE DISPLAYED FOR OUT-OF-STOCK ITEMS VENDORS ARE REQUIRED TO MAINTAIN A 98% FILL RATE AND MUST BE ABLE TO MAINTAIN ACCURATE INVENTORY REPORTING TO AVOID CANCELLATIONS, OVERSELLS, AND NEGATIVE CUSTOMER EXPERIENCES DAILY UPDATED INVENTORY FEED IS REQUIRED AT MINIMUM.
PURCHASE ORDER (PO)	<ul style="list-style-type: none"> PO MUST BE SHIPPED WITHIN 3 BUSINESS DAYS OF RECEIPT TERMS OF THE PO MUST BE COMPLETED WITH NEW ORDERS ARE GENERATED AUTOMATICALLY AND ARE TRANSMITTED MULTIPLE TIMES A DAY ORDERS MAY BE ELIGIBLE FOR CANCELLATION AT LORD & TAYLOR'S DISCRETION IF NOT SHIPPED WITHIN STATED SLA PERIOD ORDERS SHIPPED AFTER LORD & TAYLOR HAS PUT IN A CANCELLATION REQUEST INTO DSCO WILL NOT BE PAID
SHIPMENT	<ul style="list-style-type: none"> SHIPMENT IS REQUIRED WITHIN 3 BUSINESS DAYS FROM ORDER DATE VIA SPECIFIED CARRIERS ON LORD & TAYLOR'S THIRD-PARTY CARRIER ACCOUNT.

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	<ul style="list-style-type: none"> • WE OFFER EXPEDITED SHIPPING OPTION FOR OUR CUSTOMERS - VENDORS CAN OPT INTO THIS WITH LORD & TAYLOR DS TEAM • VENDOR IS RESPONSIBLE TO CONFIRM SHIPMENT IN DSCO WITHIN SLA PERIOD. • TRACKING NUMBER PROVIDED WILL BE SENT TO CUSTOMER.
CANCELLATION	<ul style="list-style-type: none"> • IF ITEM IS OUT OF STOCK AND MUST BE CANCELLED VENDOR IS REQUIRED TO CANCEL THE ORDER IN DSCO WITHIN 24 HOURS OF ORDER DATE. • LORD & TAYLOR REQUIRES ALL PO FIELDS INCLUDING LINE ITEM, SKU, QUANTITY, AND CANCELLATION REASONING TO BE FILLED OUT IN DSCO • CANCELLATIONS MUST BE SENT VIA EDI 856 FULFILLMENT OR MANUALLY ADJUSTING THE PO IN DSCO • VENDORS WHO HAVE A HIGHER-THAN-NORMAL CANCELLATION RATE (3% +/-) MAY RESULT IN TEMPORARY PAUSE OR REMOVAL FROM LORD & TAYLOR DROPSHIP PROGRAM
INVOICING	<ul style="list-style-type: none"> • INVOICES ARE REQUIRED WITHIN 1 BUSINESS DAY FROM SHIPMENT DATE SENT VIA INTEGRATED EDI 810 FILE OR MANUALLY UPLOADED IN DSCO • INVOICES EMAILED TO THE LORD & TAYLOR DS TEAM OR AP TEAM WILL NOT BE ACCEPTED • INVOICES AND SHIPMENTS ARE RECONCILED BEFORE EACH INVOICE IS RELEASED FOR PAYMENT • INVOICES FOR SHIPPED MERCHANDISE AFTER ORDER WAS CANCELLED BY LORD & TAYLOR WILL NOT BE PAID

PROGRAM REQUIREMENTS

PROGRAM REQUIREMENT	VENDOR CAPABILITIES
ORDER/INVENTORY MANAGEMENT	<ul style="list-style-type: none"> • UPDATED INVENTORY FEED ONCE A DAY AT MINIMUM WITH ACTUAL QUANTITIES FOR IN-STOCK ITEMS AND A '0' FOR OUT OF STOCK • ALL ORDERS MUST SHIP WITHIN 3 BUSINESS DAYS OF ORDER DATE • ASN MUST BE SENT SAME DAY ORDER SHIPS • CANCELED PO'S MUST BE CANCELLED IN DSCO WITHIN 24 HOURS OF ORDER DATE
RETURNS / REPLACEMENTS	<ul style="list-style-type: none"> • ALL RETURNS WILL BE SHIPPED TO LORD & TAYLOR'S LANCASTER, PA WAREHOUSE
3 RD PARTY CARRIERS ACCOUNT	<ul style="list-style-type: none"> • LORD & TAYLOR WILL ISSUE A UPS THIRD PARTY BILLING ACCOUNT NUMBER FOR VENDOR TO USE IN CONJUNCTION WITH VENDOR'S UPS SHIPPING ACCOUNT • UPS THIRD PARTY ACCOUNT NUMBER: YX8771 • UPS THIRD PARTY BILLING ADDRESS: 1735 Jersey Ave. North Brunswick, NJ 08902
PACKAGING	<ul style="list-style-type: none"> • LORD & TAYLOR PACKING SLIP MUST BE IN THE BOX CONTAINING PRODUCT • MUST SHIP IN UNBRANDED BOX OR POLYBAG • CARRIER SHIPPING LABEL MUST NOTE 'LORD AND TAYLOR' AS SHIP FROM NAME WITH VENDOR'S ADDRESS AS SHIP FROM ADDRESS

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US WAREHOUSE	<ul style="list-style-type: none"> • ALL VENDOR WAREHOUSE CLOSURES MUST BE COMMUNICATED TO LORD & TAYLOR AT DROPSHIP@LORDANDTAYLOR.COM TWO WEEKS PRIOR TO CLOSURE • VENDOR MUST HAVE PROCESS TO PICK ORDERS ACCURATELY AND FULLY WITHIN SLA REQUIREMENTS AND WITHIN LORD & TAYLOR STANDARDS
DELAYED SHIPMENTS	<ul style="list-style-type: none"> • VENDOR IS RESPONSIBLE FOR NOTIFYING LORD & TAYLOR DROP SHIP TEAM OF DELAYED ORDERS / INVENTORY WITHIN 24 HOURS OF RECEIPT OF ORDER. • ANY DELAYS IN TRANSPORT AND / OR INVENTORY AVAILABILITY THAT WILL CAUSE OVERALL LONGER DELAYS MUST BE COMMUNICATED WITHIN 24 HOURS • LORD & TAYLOR DOES NOT ACCEPT BACKORDERS – DELAYED SHIPMENTS MUST BE CANCELLED IN DSCO
MISSING, DAMAGED, AND WRONG ITEMS	<ul style="list-style-type: none"> • VENDOR PO'S SHOULD NOT BE SHORT SHIPPED OR SHIPPED WITH DAMAGED OR INCORRECT ITEMS. FAILURE TO DO SO WILL RESULT IN A CHARGE FOR LOSS OF SALES. • VENDORS WHO CONSISTENTLY SHIP INCORRECT, DAMAGED, OR MISSING ITEMS WILL BE SUSPENDED OR REMOVED FROM THE LORD & TAYLOR DROPSHIP PROGRAM.

PACKAGING STANDARDS

REQUIREMENT	VENDOR CAPABILITIES
UPC STICKER	<ul style="list-style-type: none"> • ALL PRODUCTS MUST HAVE A UPC STICKER WITH BARCODE, READABLE UPC NUMBER ON HANGTAG, SHOEBOX, OR PACKAGED BOX • NO RETAIL PRICE ON UPC STICKER
PACKING SLIP	<ul style="list-style-type: none"> • PLEASE SEE EXAMPLE ATTACHED IN APPENDIX 1 OF LORD & TAYLOR PACKING SLIP • L+T PACKING SLIP SPECS CAN BE FOUND HERE • ONLY PACKING SLIP APPROVED BY LORD & TAYLOR DURING ONBOARDING MAY BE USED. ANY REPLACEMENT SLIPS ARE STRICTLY PROHIBITED AND WILL RESULT IN CHARGEBACK. • PACKING LIST MUST INCLUDE CUSTOMER NAME AND ADDRESS LORD & TAYLOR CUSTOMER ORDER NUMBER, PO NUMBER, UPC NUMBER, ITEM DESCRIPTION MUST BE INCLUDED • NO PRODUCT PRICING SHOULD BE ON THE PACKING SLIP • SAMPLE PHOTO OF PACKING SLIP IS REQUIRED FOR ONBOARDING PROCESS
PACKAGING, INSERTS & LABELLING	<ul style="list-style-type: none"> • ONLY PLAIN OR CLEAR SEALING TAPE TO BE USED • DO NOT INCLUDE ANY ADDITIONAL VENDOR-SPECIFIC INVOICES, COLLATERAL, OR MARKETING MATERIALS. PRODUCT INFORMATION, WARRANTIES, COOKING INSTRUCTIONS, ETC. ARE ACCEPTABLE
CORRUGATE STANDARD	<ul style="list-style-type: none"> • PLAIN BROWN CORRUGATE MUST BE USED • PACKAGING MATERIAL SHOULD BE PLACED AROUND THE INSIDE OF THE SHIPPING CARTON IF THERE IS A CHANCE THAT PRODUCTS WILL SHIFT DURING TRANSIT

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	<ul style="list-style-type: none"> • ALL MERCHANDISE MUST HAVE SCANABLE UPC BAR CODE LABEL/STICKER/HANGTAG WITH NO RETAIL PRICE ATTACHED • SAMPLE PHOTO OF SHIPPING LABEL IS REQUIRED FOR ONBOARDING PROCESS
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UPS ASN & SHIPMENT TRACKING CAPABILITY

TRACKING INFORMATION	<ul style="list-style-type: none"> • LORD & TAYLOR REQUIRES ONE SHIP NOTIFICATION PER PACKAGE FOR ALL UPS SHIPMENTS WITHIN 24 HRS OF SHIP DATE • CORRECT TRACKING INFORMATION MUST BE UPLOADED IN DSCO SAME DAY OF THE SHIPMENT • INCORRECT OR LATE TRACKING INFORMATION WILL BE SUBJECT TO CHARGEBACK • ANY SHIPMENT WITH INCORRECT CUSTOMER ADDRESS WILL BE SUBJECT TO CHARGEBACK
ASN	<ul style="list-style-type: none"> • THE ASN MUST BE TRANSMITTED AND RECEIVED IN DSCO THE SAME BUSINESS DAY THAT THE ORDER IS SHIPPED • THE ASN MUST CONTAIN CORRECT/VALID CARRIER TRACKING INFORMATION

RETURNS, REPLACEMENTS, CLAIMS & SHIPMENT PAYMENTS

SHIPMENT CLAIMS / REPLACEMENTS	<ul style="list-style-type: none"> • LORD & TAYLOR IS RESPONSIBLE FOR OPENING UPS CLAIMS AND RECOUPING CLAIMS DOLLARS FOR ANY ORDERS THAT ARE UNDELIVERABLE OR LOST BY UPS • LORD & TAYLOR INCURS COSTS FOR REPLACEMENTS OF LOST ORDERS WHEN PROOF OF DELIVERY IS PROVIDED
SHIPMENT PAYMENTS	<ul style="list-style-type: none"> • LORD & TAYLOR WILL NOT REIMBURSE SHIPPING EXPENSES INCURRED ON SHIPMENTS USING OTHER CARRIER / ACCOUNTS OTHER THAN THE LORD & TAYLOR THIRD PARTY UPS ACCOUNT SPECIFIED ABOVE
RETURNS	<ul style="list-style-type: none"> • CUSTOMERS HAVE 30 DAYS TO SUBMIT RETURNS VIA LORD & TAYLOR'S THIRD-PARTY RETURNS APPLICATION, "RETURNLY" • RMA NUMBER FROM RETURNLY AND DSCO PO NUMBER WILL BE PROVIDED IN DSCO, AND SENT VIA EMAIL TO VENDOR • STARTING ON JUNE 19, 2023: ALL CUSTOMER RETURNS WILL BE DIRECTED TO THE LORD & TAYLOR WAREHOUSE IN LANCASTER, PA (ADDRESS: 1000 STONY BATTERY RD., LANCASTER, PA 17601) • DROP SHIP VENDOR PARTNERS THAT DO ACCEPT CUSTOMER RETURNS WILL HAVE THEIR RETURNS FOR ALL UNWANTED MERCHANDISE IN RE-SELLABLE CONDITION AS WELL AS MERCHANDISE CONTAINING MANUFACTURING DEFECTS BE RETURNED TO THE LANCASTER FACILITY IDENTIFIED ABOVE • NOTABLE EXCEPTIONS ARE FINE JEWELRY, ROLEX WATCHES, LUXURY PRE-LOVED, AND FURNITURE VENDORS • IF A CUSTOMER RETURNS AN ITEM TO THE DROP SHIP VENDOR DIRECTLY, THE DROP SHIP VENDOR MUST NOTIFY LORD & TAYLOR DROP SHIP OPERATIONS OF THE RETURN WITHIN THREE (3) DAYS OF RECEIVING THE ITEM

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	<ul style="list-style-type: none"> • VENDOR IS RESPONSIBLE FOR ANY ERRONOUS SHIPMENT AND CHARGES RELATED TO SUCH SHIPMENTS, INCLUDING BUT NOT LIMITED TO, WRONG ITEM, WRONG SIZE, WRONG COLOR, DAMAGE/DEFECTIVE PRODUCT. • VENDORS ARE RESPONSIBLE FOR REPLACEMENT OF PRODUCT AND SHIPPING FEES ASSOCIATED WITH ALL ERRONEOUS SHIPMENTS
<p>RETURNS PROCESS</p>	<ul style="list-style-type: none"> • DEPENDING ON THE DROP SHIP VENDOR’S REQUEST, RETURNED INVENTORY WILL BE SHIPPED BACK TO THE VENDOR’S WAREHOUSE ON A WEEKLY, BI-MONTHLY, MONTHLY, OR QUARTERLY TIMEFRAME • PLEASE FORWARD YOUR PREFERRED CARRIER AND ACCOUNT NUMBER FOR THE DROP SHIP TEAM TO USE GOING FORWARD TO GET YOUR RETURNED PRODUCT(S) TO YOU. ALTERNATIVELY, WE CAN ROUTE WITH YOUR LOGISTICS TEAM FOR THE ASSIGNMENT OF A CARRIER WHEN A SHIPMENT IS READY • LORD & TAYLOR WILL DEBIT THE DROP SHIP VENDOR THE COST OF THE ITEM AND RETURN IT • PACKING SLIP IN RETURNED LEAD CARTON WILL INCLUDE STYLE NUMBER, DESCRIPTION OF ITEM, UPC, AND QUANTITY FOR RETURNED MERCHANDISE • DEFECTIVE RETURNS WILL BE HANDLED IN THE SAME FASHION AS OUR CURRENT LORD & TAYLOR AGREEMENTS ALLOW, OR ON A CASE-BY-CASE BASIS IF NO AGREEMENTS EXIST

CUSTOMER SERVICE

<p>DEDICATED VENDOR CSR</p>	<ul style="list-style-type: none"> • VENDORS MUST ADVISE OF DEDICATED DROP SHIP CONTACT REGARDING MONITORING, FULFILLING, AND TROUBLESHOOTING ORDERS • POINT OF CONTACT MUST BE AVAILABLE FOR INQUIRIES FROM THE LORD& TAYLOR DROP SHIP TEAM FOR CUSTOMER QUESTIONS ON ORDER STATUS AND CURRENT INVENTORY LEVELS • VENDOR CONTACTS ARE REQUIRED TO ANSWER OPEN TICKETS AND PROVIDE RESOLUTION WITHIN 24 HOURS.
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NON-COMPLIANCE CHARGES SCHEDULE

SLA – SHIPMENT PROCEDURES	<ul style="list-style-type: none"> • ORDER OUT OF SLA WILL BE CHARGED \$10 / ORDER FOR SINGLE UNIT PO'S • FOR MULTI-ORDERS: \$5 / UNIT WILL BE CHARGED
CANCELLATIONS	<p>ANY CANCELLED ITEMS WILL BE CHARGED:</p> <ul style="list-style-type: none"> • 10% OF THE RETAIL PRICE. • ANY SHIPPED ORDER WHICH HAS BEEN CANCELLED IN DSCO WILL NOT BE PAID BY LORD & TAYLOR AND ANY SHIPPING CHARGES WILL BE REVERSED TO THE VENDOR. • FAILURE TO CANCEL ORDERS IN DSCO WITHIN 24 HOURS OF ORDER DATE ARE SUBJECT TO AN ADDITIONAL 10% CHARGEBACK OF THE PRODUCT VALUE
INCORRECT TRACKING	<ul style="list-style-type: none"> • \$5 PER UNIT SHIPPED
LATE TRACKING	<ul style="list-style-type: none"> • \$5 PER UNIT SHIPPED
LATE ASN	<ul style="list-style-type: none"> • \$5 PER UNIT SHIPPED
INCORRECT, DAMAGED, OR WRONG ITEM	<ul style="list-style-type: none"> • VENDOR IS RESPONSIBLE FOR ANY INCORRECT SHIPMENT AND CHARGES RELATED TO SUCH SHIPMENTS, INCLUDING BUT NOT LIMITED TO, WRONG ITEM, WRONG SIZE, WRONG COLOR, DAMAGE/DEFECTIVE PRODUCT. • VENDOR MUST PAY FOR TWO-WAY SHIPPING FROM CUSTOMER TO VENDOR • FULL CREDIT OF ITEM WILL BE REFUNDED TO CUSTOMER • 10% OF RETAIL PRICE TO BE PAID BY VENDOR
INCORRECT ADDRESS / SHIPPED TO WRONG LOCATION	<ul style="list-style-type: none"> • IF VENDOR DOES NOT UPDATE ADDRESS TO CUSTOMER'S SPECIFICATION A \$5 CHARGEBACK FEE IS APPLIED • SHIPMENTS SHIPPED TO WRONG LOCATION ARE VENDOR'S RESPONSIBILITY. A REPLACEMENT IS TO BE SENT IMMEDIATELY TO THE CUSTOMER. FAILURE TO DO SO WILL RESULT IN A FULL CREDIT OF THE ORDER VALUE.

CONTACT INFORMATION

Lord & Taylor Drop Ship Contacts

Drop Ship Team Contacts	Email
Solange Castellar Drop Ship Account Manager	scastellar@lordandtaylor.com
All Drop Ship inquiries	dropship@lordandtaylor.com

General Email Contacts

Additional Support Contacts	Area of Responsibility Email
AP@lordandtaylor.com	General Accounts Payable
Support@dscio.io	DSCO Support

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APPENDIX 1

Sample Lord & Taylor Packing Slip



Order Date:	2021-03-16 12:35:34 MDT
Purchase Order:	18955
Consumer Order Number:	1029

Ship to
Test Trsr
1000
New York, NY 10001
US

PRODUCT	DESCRIPTION	QUANTITY
SKU: 2009SXMLJ-500405219 EAN: 0613053435219	Men's XRAY Hooded Faux-Leather Jacket - S - COGNAC Color: COGNAC Size: S	1
Total:		1

Thank you for choosing Lord & Taylor. Your purchase comes with our assurance that your satisfaction is our top priority. We are committed to making Lord & Taylor your favorite place to shop and look forward to serving you again soon. Enjoy your purchase!

If for any reason you are not satisfied with your order, you may return or exchange your original order along with the pack slip by following the instructions on our website: <https://returns.lordandtaylor.com>

Once your items are received, you will be refunded for them in the original form of tender.

All merchandise marked "Final Sale" is not eligible for returns or exchanges at lordandtaylor.com