

Methods of Shipment

Delivered Duty Paid (DDP): Vendors are responsible for delivery to Anna's Linens' DC door. This includes all freight costs, duties, customs clearance, drayage and pier pass. Anna's Linens requires all DDP shipments to be routed as "Pre-Paid Anna's Linens location." Partner must notify the Import Coordinator (via e-mail) of the following information within 24 business hours of booking the container on a vessel: booking date, ETD, port of departure, port of arrival, ETA, and container size.

Landed Duty Paid (LDP or POE): Vendors are responsible for delivery to the port of entry determined by the Logistics Team. This includes all freight costs and customs clearance under the vendor's own importer of record number. Anna's Linens takes possession of the goods after they have cleared customs. Partner must notify the Import Coordinator (via e-mail) of the following information within 24 business hours of booking the container on a vessel: booking date, ETD, port of departure, port of arrival, ETA, and container size.

Direct Import (DI): Vendors are responsible for delivery to Anna's Linens designated freight forwarder at the foreign port. Anna's Linens is responsible for import freight costs and customs clearance.

Review all sections in the Import section, as it thoroughly explains the documents required and when each must be forwarded to various designated parties.

Carton Markings

- **Bulk Shipments – shipments corresponding to a single purchase order number destined for one DC location.**
 - Vendor name and Anna's Linens PO#
 - Country of Origin
 - Detailed description (matching the description on the pack list) including size, color, and/or pattern name where applicable
 - Number of units per carton for each unique item
 - Cartons with shippable inner quantities which are ordered must be marked "Re-Pack" with a bright label, and each inner carton must adhere to the requirements listed in this section
- **Pre-allocated Shipments – shipments corresponding to a range of purchase orders destined to single or multiple store locations.**
 - UCC-128 Labels
 - Product ID Labels which include the following
 - UPC Number (if multiple UPCs, print "Multiple UPCs" on the label)
 - Description
 - Qty shipped by UPC Number

General Shipping Instructions

Advanced Ship Notice (ASN 856) is to be provided by the vendor for every shipment. Anna's Linens vendor partners and/or agents must be capable of exchanging information via Electronic Data Interchange (EDI). Anna's Linens will also accept ASNs from a third party, such as one of its designated agents. Since the majority of import purchase orders will be sent through Anna's Linens agents, it may be beneficial to employ the agents' services for accuracy and efficiency. However, the option is left up to each vendor, and the vendor incurs all additional costs. Please refer to the EDI section of the Partner Guide for more information regarding Anna's Linens EDI requirements.

- All case packs must be complete, partial cartons are not acceptable. If this results in a shortage on the order, please send an e-mail to notify the buyer how many selling units will be shorted on that PO. Please note that this will not necessarily preclude an offset.
- Shipments with multiple containers for one PO must be shipped on the same vessel, unless given prior authorization by Anna's Linens Logistics Department.
- Proof of delivery (POD) must be requested by e-mail (import@annaslinens.com). Replies may take up to 3 days.
- No Bill of Lading or routing request is necessary on import shipments.
- Air Shipments where Anna's Linens is responsible for all charges must be approved by Anna's Linens' Logistics Department in writing or via e-mail before the PO is shipped. No charges will be paid unless vendors seek approval from the Import team in advance. Merchandising Managers cannot approve air/freight.
- Any change in routing or importation terms must be approved by the Anna's Linens Logistics Department. Any such requests should be made via e-mail to import@annaslinens.com at least 15 business days prior to the vendor ship date. Merchandise Managers may not approve these requests.

Delivery Addresses and Carriers:

DC	Destination Port	Shipment Type	Delivery Address	Trucker
9999	Los Angeles or Long Beach, CA	DI/POE	Anna's Linens WDC c/o Performance Team 12816 Shoemaker, Santa Fe Springs, CA 90670	Gale Triangle SCAC:GLTN
9993	Houston, TX	DI/POE	Anna's Linens SDC c/o Exel Logistics 713 Northpark Central Drive, Houston, TX 77073	Forward Air SCAC: FWDN
9994	Charleston, SC	POE only	Anna's Linens EDC c/o Exel Logistics 10230 Ridge Creek Drive, Charlotte, NC 28273	Gale Triangle SCAC: GLTN
9994	Charlotte, NC	DI only	N/A	N/A

Delivered Duty Paid Shipments (DDP)

Delivery Appointment Required - All DDP shipments delivered to Anna's Linens require a delivery appointment. Vendors must have a delivery appointment prior to delivery (see routing instructions for making appointments with the DC's). It is the vendor's responsibility to calculate and manage all free days on all DDP containers. Delivery containers must be dropped. If a live unload is required, it must be approved in advance of making a delivery appointment. Email the Import Coordinator for approval.

Drayage – The designated drayage agent may be made at the discretion of the vendor.

Booking – Partner must notify Import Coordinator (via e-mail) of the following information within 24 business hours of booking the container on a vessel: ETD, port of departure, port of arrival and ETA.

Packing List Requirements

Bulk Shipments (single PO to one DC location)

The Anna's Linens Pack List Summary Form (b2b.annaslinens.com) must be used to communicate all pack list information, and must be typed and sent as an excel spreadsheet. E-mail one pack list per container to import@annaslinens.com no later than five (5) business days after the vessel departs from port of origin. If you cannot e-mail, fax is acceptable, but the pack list cannot be hand written. All pack lists must contain:

- Anna's Linens PO# and a clear description of each unique carton pack, along with # of cartons, using the same description that is used on the carton labels.
- Container number, port of origin and port of entry, or destination port if port of entry is not destination.
- Date shipped from origin (ETD) and date estimated to arrive at destination (ETA)

Pre-allocated Shipments (multiple or single PO's to store locations)

Pack lists for pre-allocated shipments can be free form, but must contain the following:

- Container number, port of origin and port of entry
- A basic description of the merchandise
- A list of each PO# loaded onto that container, and the number of cartons for each PO
- Date shipped, vessel name, voyage #, steamship line, and destination port

Invoicing

- Send only one invoice per PO. If a PO has multiple trailers, a separate invoice must be sent for each shipment for that PO#. Please attach a pack list for each trailer.
- Invoices must be sent via EDI at the time the shipment is delivered to the Anna's DC.

Landed Duty Paid Shipments (LDP)

Packing List Requirements

E-mail one pack list per container to import@annaslinens.com no later than five (5) business days after the vessel departs from port of origin. If you cannot e-mail, fax is acceptable, but the pack list cannot be hand written. Packing Lists must itemize the goods in each individual package and indicate the type of package (carton, box, crate, drum, etc.).

Bulk Shipments (single PO to one DC location)

Anna's Linens Pack List Summary Form must be used to communicate all bulk shipment pack list information and must be typed and sent as an excel spreadsheet. All pack lists must contain:

- Anna's Linens PO# and a clear description of each unique carton pack, along with # of cartons, using the same description that is used on the carton labels.
- Container number, port of origin and port of entry.
- Date shipped, vessel name, voyage #, steamship line and destination port

Pre-allocated Shipments (multiple or single PO's to store locations)

Pack lists for pre-allocated shipments can be free form, but must contain the following:

- Container number, port of origin and port of entry
- A basic description of the merchandise
- A list of each PO# loaded onto that container, and the number of cartons for each PO
- Date shipped, vessel name, voyage #, steamship line, and destination port

Delivery Order (DO)

- The DO must be e-mailed to the Import Coordinator within 24 hours of the container(s) arriving at port regardless of clearance/customs status. Fax is also acceptable. Do not send the DO to the drayage agent.
- The drayage agent will verify availability before scheduling pick up. The Import Coordinator will notify the vendor/broker of any issues preventing pick up.
- The DO must contain proper delivery address, carrier name, container #, master B/L#, corresponding Anna's Linens PO#, arrival date, and port of origin.
- If the containers arrive via rail, pick up numbers must be sent to the Import Coordinator before containers can be picked up.

Ports of Entry

The port of entry will depend on the Anna's Linens ship point specified on the purchase order (see 'Delivery Addresses and Carriers' table above). Vendors will be responsible for any freight charges due to the use of other ports of entry, unless prior authorization is given by the Anna's Linens Logistics Department. All authorization must be obtained either in writing or via e-mail.

Pier Pass

- Anna's Linens requires all partners to guarantee Pier Pass (TMF) fees on containers arriving in Los Angeles or Long Beach.
- If the container(s) is/are picked up during off peak hours, Pier Pass will credit the TMF fee back to your account. Please note that the drayage agent will in turn charge an off-peak service fee of \$40 which Anna's Linens will bill back to the vendor.

Clean Truck Tariff

- For Port of Entry Shipments, Anna's will be paying the clean truck tariff up front at no cost to the vendor and deducting the cost from subsequent vendor invoices in the form of an offset. (\$70 per container).

Demurrage

- If a container is not fully released by the terminal (including Customs, OBL, Pier Pass, demurrage, etc.) by 5 p.m. the day prior to the LFD, Anna's Linens will not be able to pick up on the LFD and demurrage will be incurred at the partner's expense.
- If a DO is not received in a timely manner, demurrage incurred will be the partner's responsibility.
- If demurrage is incurred, the demurrage payment must be received at the steamship line the day prior to the day the demurrage is paid through. For example, if a demurrage payment is received on Monday, the demurrage payment must be made through Tuesday in order for Anna's Linens to pick up the container.

Invoicing

- Send only one invoice per PO. If a PO has multiple trailers, a separate invoice must be sent for each shipment for that PO#. Please attach a pack list for each trailer.
- Invoices must be sent to the Anna's Linens via EDI at the time the shipment is released for pick up at the port of entry.

Direct Import (DI) Shipments

Container Capacity

Containers must meet cubic meter (CBM) minimum requirements as stated below. All LCL shipments require written approval from Anna's Linens' Import Department. Vendors will be financially responsible for under-utilized containers.

<u>Container Size</u>	<u>Cubic Meters</u>
20 (TEU)	27 CBM
40 (FEU)	56 CBM
40H (FEU)	65 CBM
45 (FEU)	71 CBM

Visa and/or Other Government Agency (OGA) Requirements

Some products will be subject to special importation restrictions, permits, licenses, standards, and/or procedures from other government agencies. To the best of our knowledge, here are some examples which may apply:

Textile materials (if Visa required)

- Original Visa Stamped document
- Manufacturer's Textile Declaration with authorized signature

Food Contact Substances

- CCIB Numbers and color(s) of merchandise

Leather items

- Manufacturer's statement of PCP free declaration

Radio items

- FCC Form 740

Items of vegetable material (i.e. bamboo, straw, rattan, etc.)

- Certificate of fumigation
- APHIS requires declaration of genus and species of plant, country of origin and country of harvest, intended use of the article, quantity and value and percentage of recycled material

Shell Product

- US Fish and Wildlife service permit

Chemical Substances (i.e. resins, glues, dyes, etc.)

- TSCA Certification on manufacturer's shippers stationary with authorized signature
- Lab report certifying TSCA standard has been met

Wood packing materials and other unmanufactured wood product (i.e. crates, etc.)

- Certification of free of bark and free from live plant and pest on shipper's stationary with authorized signatures
- Fumigation certificate

Water resistant items

- AATCC certificate

Electric items with plugs

- UL certificate

Foam Certificate

- Registration number and certificate of new foam

Children's Products (for use by children ages 12 and under)

- Certificate issued by a 3rd party stating that goods have been tested and meet the requirements put forth by the Consumer Product Safety Improvement Act.
- Products must be marked to show date and place of production

Customs-Trade Partners Against Terrorism (C-TPAT)

In the future, all factories will be required to be C-TPAT certified. Notification will be given by the Anna's Linens Logistics Department.

Booking/Shipping

- Booking must be completed via an online booking tool no less than 14 days prior to the required ship date through the Anna's Linens designated Consolidator/ Forwarder. This includes full container loads, less than container load (LCL), cargo, air, and ocean shipments. Vendors should contact the Import Coordinator for information on the forwarder's overseas office to contact for booking.
- Vendors must provide the following information to the designated freight forwarder at the time of booking; otherwise booking will not be released:
 - Vendor name (who Anna's purchased the goods from)
 - Shipper's full address
 - Consignee name
 - Anna's purchase order number
 - Detailed commodities description (no generic description)
 - Harmonized Tariff Number (HTS #) and Category
 - Destination
 - Carton Count, quantity in carton, weight, and measurement
 - Final Packing List
- The Consolidator/Forwarder will issue an original Forwarders Cargo Receipt (FCR) and Express BOL in return for surrender of appropriate documents and cargo. The FCR will not be issued unless all required documents are presented.
- All original documents and a 4-copy set must be surrendered to the consolidator/forwarder at the time the cargo is surrendered or no more than three (3) business days after cargo is tendered. Failure to comply will result in an offset as defined in the Expense Offset and Waiver section.
- Only when authorized by Anna's Linens, will the Consolidator/Forwarder prepare an original Ocean Bill of Lading (OBL) or allow the OBL to be used as the negotiable instrument.
- Shippers will not be given an OBL by the consolidator unless authorized by the Anna's Linens Import team.
- VISA documents may not be available at time of booking due to some countries' export procedures. Proof must be furnished that the quota is available to the shipper at the time of booking. However, a document verification certificate or a cargo receipt will not be issued until Anna's Linens Import team verifies the actual VISA document. It is required that the VISA document be supplied prior to the shipment arriving at the first U.S. port of discharge. If this requirement is not met, costs for storage will be deducted from the shipper's remittance.
- All loads must ship from the original country of origin and be delivered to Anna's Linens' freight forwarder at the foreign port.
- Consolidation cut-off times must be strictly adhered to. If a "late gate" is needed vendors must check with the specified consolidator's office in advance.
- If cargo does not make the designated vessel's departure and is outside of the PO ship window, the Merchandise or Planning & Allocation Manager may request a routing change or PO cancellation from the Import Department. All additional freight costs and penalties will be at the vendor's expense.

Anna's Linens Packing List

E-mail one Anna's Linens pack list summary form per container to import@annaslinens.com no later than three (3) business days after the vessel departs from port of origin. If you cannot e-mail, fax is acceptable, but the pack list cannot be hand written. Packing Lists must itemize the goods in each individual package, indicate the type of package (carton, box, crate, drum, etc.), and contain the following items:

Bulk Shipments (single PO to one DC location)

Anna's Linens Pack List Summary Form must be used to communicate all bulk shipment pack list information and must be typed and sent as an Excel spreadsheet. All pack lists must contain:

- Anna's Linens PO# and a clear description of each unique carton pack, along with # of cartons, using the same description that is used on the carton labels.
- Container number, port of origin, and port of entry.

Pre-allocated Shipments (multiple or single PO's to store locations)

Pack lists for pre-allocated shipments can be free form, but must contain the following:

- Container number, port of origin, and port of entry
- A basic description of the merchandise
- A list of each PO# loaded onto that container, and the number of cartons for each PO

Factory Packing List

Email one factory pack list per container to import@annaslinens.com and to Anna's Linens freight Forwarder origin office. The factory pack list must contain:

- Anna's Linens PO# and a clear description of each unique carton pack, along with # of cartons, using the same description that is used on the carton labels.
- Container number, port of origin, and port of entry.
- Individual net, legal tare, and gross weights
- Total weight of all packages
- Measurements for each package
- Floor Coverings only (rugs, tile, etc.) – M2, or meters squared for each unit

- Package markings with the shipper and item #
- Code mark (destination location number)

Clean Truck Tariff

- For Direct Import Shipments, Anna's will be responsible for the clean truck fee for all Direct Import Shipments and will not deduct the fee from vendor invoices.

HTS (Harmonized Tariff Schedule) Codes

Vendors are required to supply accurate and valid 10-digit HTS codes for all items, including components of sets (i.e. comforter sets containing a comforter, shams, decorative pillows, etc.) before purchase orders are written. If an HTS code is found to be incorrect, the vendor will be liable for all fines, penalties and fees associated with the error, as well as any excess storage or handling costs that resulted.

ISF (Importer Security Filing) Requirements

US Customs and Border Protection now requires specific data elements to be filed prior to a shipment departing the port of origin destined for the U.S.

- The vendor is responsible for supplying the information listed below no later than 5 calendar days before the scheduled vessel sailing.
 - Seller
 - Ship to
 - Scheduled container stuffing location
 - Manufacturer name and address
 - Country of origin
 - HTS codes
 - Part numbers and descriptions

These data elements must be submitted via a web portal hosted by the designated Anna's Linens Freight Forwarder. Please contact the import coordinator for more details on the web portal and filing procedures.

Invoicing

EDI Invoice

Invoices must be sent to the Account Payable Department via an EDI 810 document at the time the shipment is delivered to the designated overseas port or consolidation facility no later than the date of cargo delivery to the port of origin. A copy of the Commercial Invoice must be sent to the Import Coordinator and also submitted to the overseas forwarder at the time the Forwarder's Cargo Receipt is released to the Vendor Partner by Anna's Linens designated overseas freight forwarder.

Commercial Invoice

Commercial Invoices must contain:

- Date of issue
- Invoice #
- Anna's PO#
- Vendor Name and Address
- Manufacturer Name and Address (if more than one, all must be listed along with the items they apply to)
- Anna's SKU Number
- Detailed description of the product including size, color/pattern (if applicable), piece and cost breakdowns on sets and assortments, material breakdowns and fiber construction for textile items, VISA information (including correct category, volume and weight) for any quota merchandise
- FOB unit cost
- HTS Codes for all items, including individual components of sets and assortments, and the current duty rate for that HTS Code
- Country of Origin (if multiple countries are used in components and/or in the manufacture of the product contact import@annaslinens.com)
- Shipments containing solid wood packing materials (i.e. pallets, crates, etc.) are required to have a fumigation certificate provided with the commercial documentation. If no solid wood packing materials are used, the statement "NO SOLID WOOD PACKING MATERIALS ARE ASSOCIATED WITH THIS SHIPMENT" must appear on the commercial invoice.
- For articles of bedding, the statement "These articles do not contain any embroidery, lace, braid, edging, trimming, piping or appliqué work" must appear on the commercial invoice.
- Any merchandise shipped free of charge must be listed separately with all description information listed above and the statement "SHIPMENT CONTAINS FREE GOODS, VALUE DECLARED ONLY FOR CUSTOMS PURPOSES" must appear on the commercial invoice.
- INCOTERMS (purchasing terms), which should be FOB, country of origin, unless otherwise authorized by Anna's Linens Logistics Department
- If shortages or overages are found on a shipment, vendor must send a new Commercial Invoice within 2 business days of notification. An offset will apply for re-filing the customs entry.

DI Vendor Payment

- All invoices for Direct Import Shipments will be paid via wire transfer. Anna's Linens does not use letters of credit. The Merchandising Manager will determine payment terms and any negotiated terms will be calculated from the FCR issue date or other negotiable instrument. (I.E. Bill of Lading) Vendors must dispatch documents to the designated forwarder within three (3) days of delivery of goods. The FCR will not be released until all relevant documentation has been received.

Alternate Ports of Entry – Cost Differential

Certain charges for shipping to alternate ports of entry outside of the Port of Long Beach/Los Angeles may be eligible for reimbursement if negotiated and agreed upon in advance. Please contact the Import Coordinator at import@annaslinens.com for details.