

## Lids Domestic Shipment to the DC Guidelines

### Domestic Routing Guidelines:

- The Lids Distribution Center requires that all Domestic Inbound Shipments receive advance routing authorization
- Before a Purchase Order can be shipped, the Lids Logistics Department must be contacted with a Lids Routing Request form for routing approval
  - Email is the preferred method of approval request, but Fax requests will also be accepted
  - Please refer to the Lids Routing Request Form section at the [genescopartners.com](http://genescopartners.com) website for a copy of the Routing form
  - **A PACKING LIST IN ADVANCE IS REQUIRED FOR ROUTING. Please submit with the routing request.**
- A Buyer's verbal or written instructions pertaining to routing on Lids Purchase Orders are not valid unless routing has been pre-approved through the Logistics Department
- When a Routing Request has been received, the following information will be provided by the Logistics Department:
  - Lids Preferred Carrier
  - Date window in which to ship the order
  - Shipping Authorization Number
  - Carrier Quote Number (when applicable)
- Ship only the pallets, cartons and units that have been authorized with the Shipping Authorization Number (SAN)
  - Any unexpected charges will result in a chargeback to the Shipper
- Any shipments not authorized by the Logistics Department may be refused and returned to you at your cost
- Ship all orders via the Preferred Carrier, Freight Collect
  - In the event that this presents a problem, please contact the Logistics Department at 317-333-5212 to discuss alternate routing
  - Any shipments arriving prepaid will be treated as Full Freight Allowed
- Lids will not pay additional freight charges added to an invoice
- Purchase Orders should be at least 80% complete and in full size runs only in order to ship
  - If routing approval is requested at less than 80%, you may be asked to hold the order until compliant
  - We will only allow 2 shipments per PO for compliance purposes.
  - More than 2 shipments per PO will result in a chargeback.
- Do not ship any orders Air Freight unless previously authorized by the Lids Logistics Department
  - Air Freight Shipments that are received without prior approval will result in a chargeback to the Shipper
- Small Package (i.e. UPS, FedEx) shipments also require authorization to ship before shipping to the Lids Distribution Center or they may be refused and returned to you

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### Shipping Documentation

- Provide itemized details for your shipment on the Bill of Lading:
  - The Lids Purchase Order Number(s)
  - Number of pallets associated with the Purchase Order
  - Pallet dimensions
  - Number of cartons associated with the Purchase Order
  - Number of units associated with the Purchase Order (if possible)
  - The Shipping Authorization Number
  - Carrier Quote Number (if applicable)
  - Proper description of the goods and the correct NMFC classification
- It is very important that you know and select the correct freight class when sending the routing request to ensure we receive accurate freight shipping quotes from the start and avoid any additional charges from freight re-classes after delivery. All freight carriers determine their shipping charges based on the total shipment weight (including the packaging materials: boxes, pallets... etc.) and the freight class /NMFC of the items being shipped, as determined by the NMFTA (National Motor Freight Traffic Association).

Freight prices are dependent on these variables.

- If you submit the wrong freight class or weight when requesting routing and we then schedule your shipment based off that incorrect information, the shipment will have been charged incorrectly and will be subject to the carrier re-classing and re-weighing the shipment, which will result in a different shipping charge, which could be higher.
- All Carriers verify the freight class and weight provided on the BOL / Bill of Lading shipping document. After the carrier picks up your shipment, they will weigh your goods at their terminal and verify the weight and freight class you provided on our bill of lading. If the class or weight on the BOL is incorrect, they will re-class or re-weigh and bill us accordingly. The carrier's charge for their services is based off the actual weight and class of the shipment, as determined by them including any extra services required to facilitate the transport of your shipment (lift gate, inside delivery etc) regardless of what's stated on the BOL and paid for already.
- You are responsible for any additional charges associated with your shipment resulting from incorrect information provided to us. Please take the time to determine the correct freight class and weight of your shipment to ensure you are charged correctly from the start. We are happy to assist you with this. Your co-operation will help us make your shipping experience as smooth and accurate as possible. Our goal is to help you avoid your shipment being re-classified by the carrier.

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- The total number of cartons tendered to the Carrier must match the number of cartons noted on the BOL
  - The Lids receiving process includes reconciliation of the total carton count on the Carrier freight bill against the actual carton count received
    - Any discrepancies noted will be communicated back to the Carrier for resolution between the Carrier and the Shipper
- Incomplete or improperly completed documentation could result in increased shipping charges to Lids.
  - Any unexpected charges may result in a chargeback to the Shipper
- All Shippers are required to provide an electronic or fax copy of the Original Bill of Lading to the Lids Logistics Department (email: [hwlogistics@hatworld.com](mailto:hwlogistics@hatworld.com), fax: 317-337-8496) within 24 hours of the time the shipment is made
- Any shipment moving under a Shipper's Load and Count Agreement made between the Carrier and Vendor will automatically release Lids from any liability concerning loss or damage
  - This also applies to a negotiated SPC (Spot Contract) where the Carrier drops trailers at the Vendor's location for loading
  - Shipper Load and Count must be documented on the original Bill Of Lading

## Lids Domestic Shipment to the DC Guidelines

### Shipment and Labeling Guidelines:

- Any freight returned to your facility due to an error in shipment will be shipped Freight Collect
- All inbound shipments must be tightly shrink-wrapped on good quality, standard 40 x 48 pallets
- Always use a standard shipping label on each carton:
  - Lids Ship to: address
  - Lids Purchase Order Number
  - Lids SKU Number
  - Style Number
  - Total units in carton
  - Carton numbering (carton x of xx)
- Packing slips are mandatory for all shipments
  - Packing Slips should be easily visible on the front of the first pallet located in a Packing Slip envelope
  - A valid Lids SKU must appear on the Packing Slip
  - **Please provide an electronic or fax copy of the Packing Slip to the Lids Logistics Department (email: [hwlogistics@hatworld.com](mailto:hwlogistics@hatworld.com), fax: 317-337-8496) when routing has been requested.**
- Package each carton separately by Style/SKU unless otherwise authorized by the Hat World & Lids Buying and Merchandising Team
- Separate one Lids Purchase Order per skid unless the orders are small, then the orders may be combined
  - When combining Purchase Orders on one pallet:
    - Keep the orders layered together as much as possible
    - Multiple Packing Slips should be applied
- Carriers will be required to contact the Lids Logistics Department in advance of all shipments to obtain a scheduled delivery appointment time and Appointment Number
  - Any shipment arriving at the Lids Distribution Center without a valid Appointment Number may be turned away and asked to return at a later time
  - Any shipment not arriving at the scheduled appointment time may be turned away and asked to return at a later time