



woot!TM

Dropship Program Guide

Updated 03/04/2020

Replaces all previous guides/manuals

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Chapter 1 – Woot Dropship Program Guide overview

Woot Mission

Woot delights customers with new surprises every day, by offering the best selection of deals and the most entertaining, addictive shopping experience on the web.

Woot Dropship program

Dropship for Woot means direct fulfilment to the customer by the vendor.

All orders will be processed through the Woot Dropship portal, located at <https://dropship.woot.com>

Eligibility and Vendor threshold measurements

Existing and new vendors will have to comply with the following requirements:

- Missed required ship date – all orders must ship by the required ship date, usually within 2-3 calendar days (excluding LTL and made to order).
- Cancellation % - must be under 1% of sold units
- Damaged and defective % - must be under 1% of sold units

Any deviation from the above will result in chargeback, probation period or removal from the dropship program.

** Currently, vendors' scorecard is being calculated and monitored by Woot Dropship team on the backend and is not available for vendor to view through the portal.

The Performance Metrics tab in the Dropship is currently under construction.**

Contact information

For any inquiry, question or technical support please contact Woot Dropship department by email or phone:

dropship@woot.com

Derek 214-445-2842

Chapter 2 – Woot portal

What is Woot Dropship portal

Woot portal is a secure self-service station, where vendors are able to download order files and upload tracking.

Orders will flow into the portal as they are placed 24/7 (with 2 hours delay).

The portal does not provide or used for anything else (e.g. downloading labels, invoicing, etc.).

Gaining access

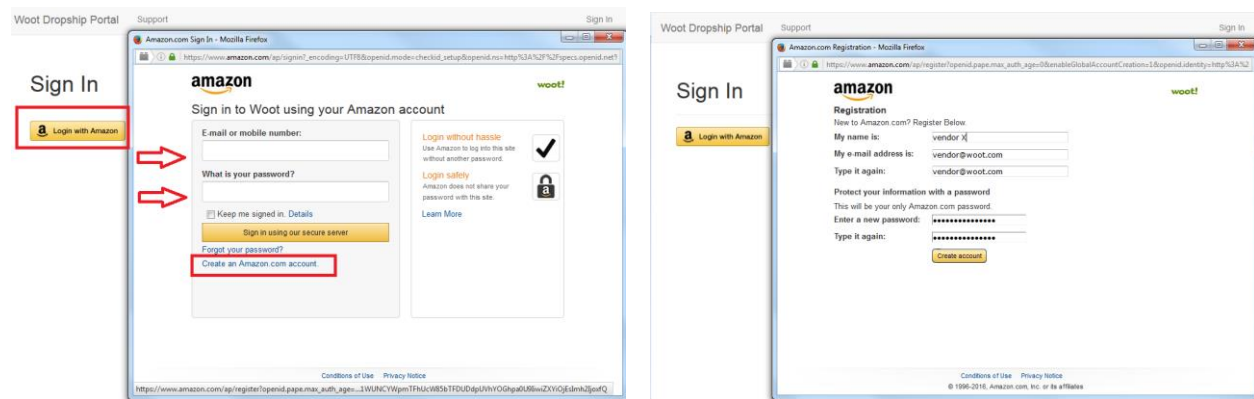
First step is signing up to the portal.

We use Amazon.com login system so you must have an active amazon account and login information (any amazon account).

1. If you already have an account with Amazon , please let us know your user name(email)
2. if you don't have one, please click on <https://dropship.woot.com/account/signin?ReturnUrl=%2f>
 - Sign up by clicking on “Login with Amazon”
 - Send us a message and let us know the email address you used to sign up (your user name).
 - We will grant you access.

Your Amazon and Woot account are completely separated as we are 2 independent companies.

Even if you have an active Amazon.com account, you will not be able to login until we will grant you access. Please email us the necessary info.



EDI/API

Under construction. This section will be updated in 2019

How to process orders

There are 4 tabs in the portal :

- Woot Dropship Portal - your vendor scorecard
- View Orders - all open orders will appear in that tab
- Uploading Tracking - tracking info will be uploaded through this tab
- Support – link to email Woot-Dropship support

Woot Dropship Portal

This tab shows the vendor’s scorecard. The scorecard will be updated during 2017.

Woot Dropship Portal View Orders Upload Tracking Support Sign Out

Home

Performance Metrics

Generated with data up to 11/8/2016

◀ Nov 2016 ▶

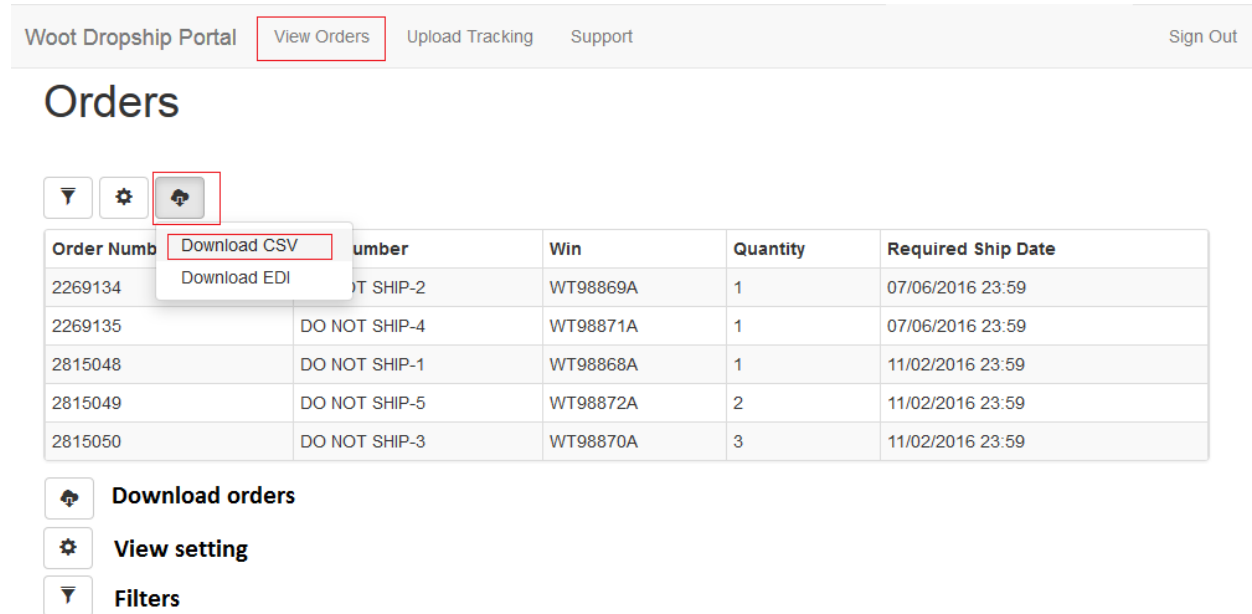
Update performance metrics for this range.

Metrics not loaded for this time.	Violation Count	Violation %	SLA Goal
Total Orders Line Items	0		
Missed Required Ship Date	0	0.00 %	
Missed Required Tracking Return Date	0	0.00 %	
Fill Failure Orders	0	0.00 %	
Total Violations	0		

View Orders

Any order that appears in the tab is open. The only way to close an order is by uploading tracking or cancelling the order.

In order to download orders : “view orders” tab – “Downlaod orders” icon – “Download CSV”
The order file includes all the necassery information in order to process orders.



The screenshot shows the Woot Dropship Portal interface. At the top, there is a navigation bar with 'Woot Dropship Portal', 'View Orders' (highlighted with a red box), 'Upload Tracking', 'Support', and 'Sign Out'. Below the navigation bar is the 'Orders' section. On the left, there are three icons: a funnel for filters, a gear for settings, and a download icon (highlighted with a red box). A dropdown menu is open from the download icon, showing 'Download CSV' (highlighted with a red box) and 'Download EDI'. Below the icons is a table of orders with the following columns: Order Number, Customer Order Number, Win, Quantity, and Required Ship Date.

Order Number	Customer Order Number	Win	Quantity	Required Ship Date
2269134	DO NOT SHIP-2	WT98869A	1	07/06/2016 23:59
2269135	DO NOT SHIP-4	WT98871A	1	07/06/2016 23:59
2815048	DO NOT SHIP-1	WT98868A	1	11/02/2016 23:59
2815049	DO NOT SHIP-5	WT98872A	2	11/02/2016 23:59
2815050	DO NOT SHIP-3	WT98870A	3	11/02/2016 23:59

Below the table are three buttons: 'Download orders' (with a download icon), 'View setting' (with a gear icon), and 'Filters' (with a funnel icon).

Order file

There are 5 important columns in the order file:

Column B – “OrderNumber” – unique order number.

Column C – “CustomerOrderNumber” – **Transaction ID only**. The purpose of this column is sorting only.

If a few orders have the same “CustomerOrderNumber” it means those orders are going to the same customer and can be shipped together.

Column M – “PartNumber” – Your part number

Column U – “PurchaseOrderNumber” – Not the order number, but the umbrella agreement that specifies all the different items you sell through Woot and their cost.

Column W – “HasBeenDownloaded” – an order will remain open until it is closed by tracking upload.

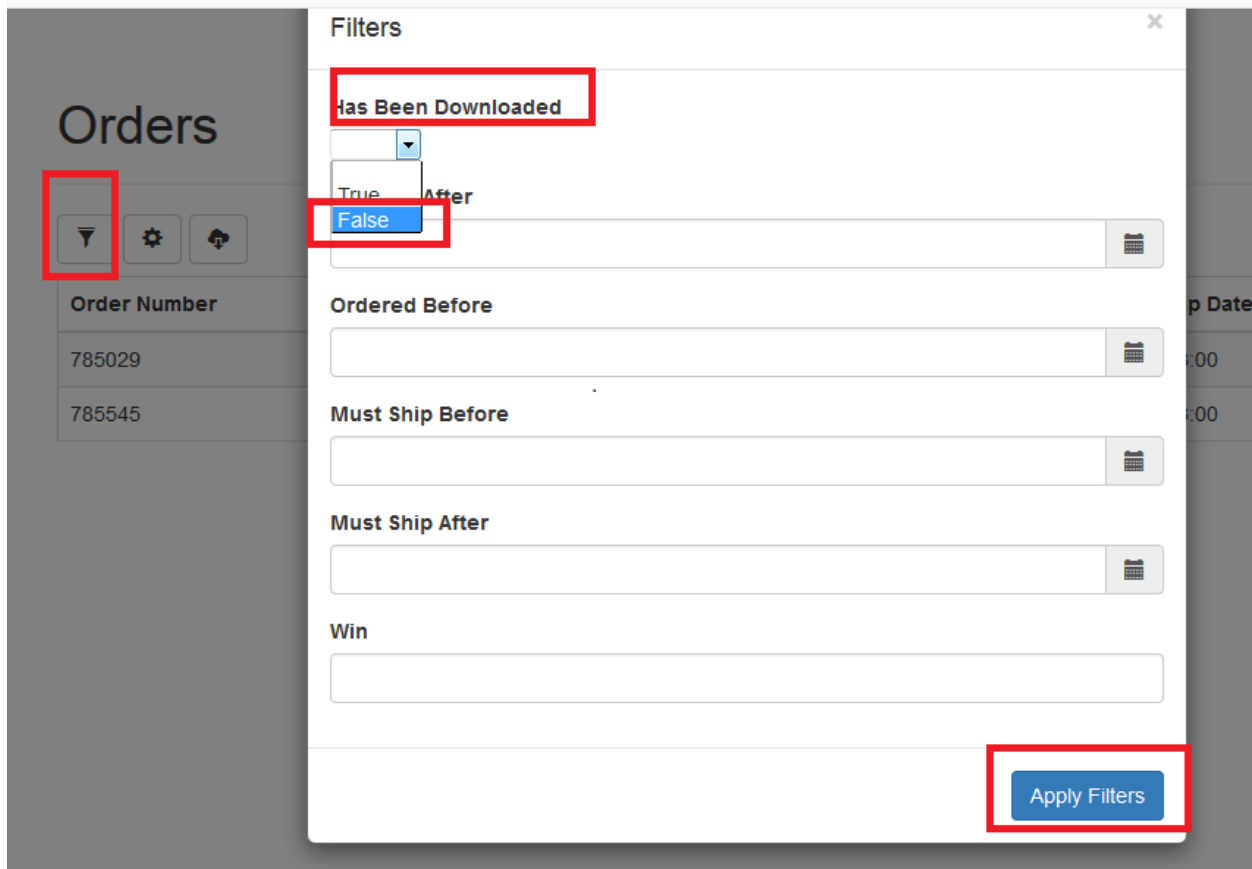
When order file is downloaded the column will show “TRUE” or “FALSE” .

“TRUE” means- the order had been previously downloaded but is still open. It alerts you not to double ship/process it.

“FALSE” means – it is the first time this order was downloaded and it needs to be processed.

There are 2 options to filter the file in order to prevent double shipping:

1. Download the file as is and sort/filter by column W
2. Filter the file in the portal and download filtered file:
 - Under “view orders” tab, click on the filter icon
 - The very first filter is named “Has Been Downloaded”
 - In the drop box please choose “False” and click apply
 - Download the order file



Shipping

Please see Chapter 3 - Shipping Packing and labeling requirements.

Tracking upload

When tracking numbers are available they need to be uploaded to the portal.

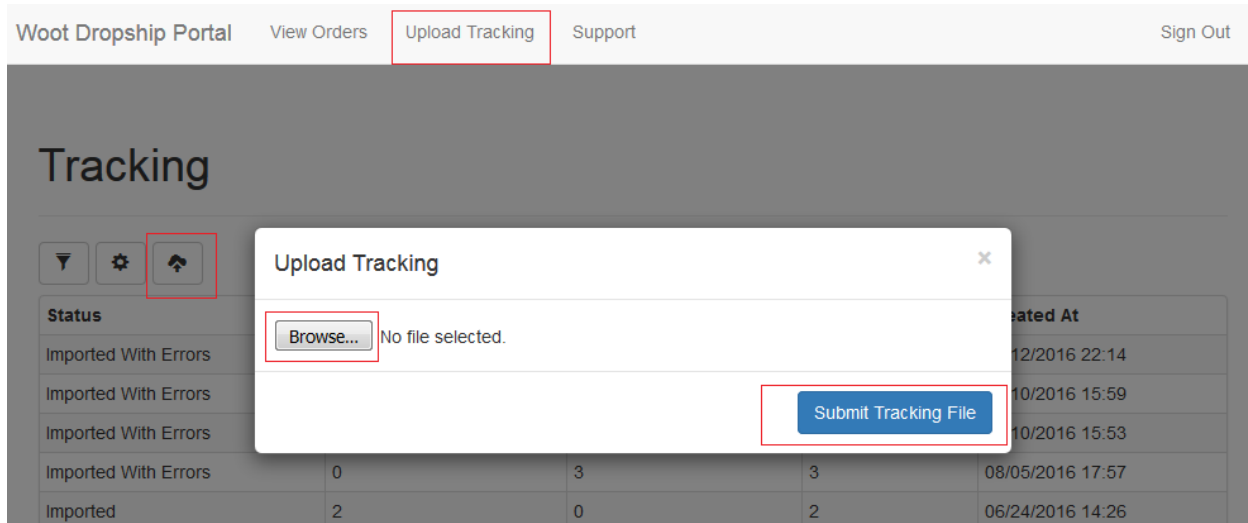
The only way to upload tracking to the portal is by using the "Tracking Upload Template" provided to you upon signing and getting access to the portal. Please contact dropship@woot.com if you cannot locate the template.

Tracking Upload Template:

- The file cannot be changed in any way. No columns can be added, no column headers can be changed.
- All lines must be completely filled . Any empty cell will prevent the file from being uploaded.
- The carrier cell must contain the accepted carrier abbreviation. For the complete list please see [supported carrier list](#)
- Due to the nature of CSV format, column B "TrackingNumber" must be formatted as a number prior to saving the file(any time you take action on the file).

OrderNumber	TrackingNumber	Quantity	ShipDate	Carrier	ShippingMethod
9999999	1Z325569688756	1	8/22/2019	UPS	HomeDelivery

-Once the tracking file is ready to be uploaded, it needs to be uploaded through the portal:
 In order to upload tracking: “Upload Tracking” tab – Upload icon – Browse (pick the file you prepared) –
 “Submit Tracking File”



Once the tracking file was uploaded you should see a new row with date and time stamp, specifying how many tracking files were uploaded. By clicking on the row you can see exactly what was uploaded. In parallel the orders will be removed from the “view orders” tab. If the file was rejected or you receive an error message, please see the [TroubleShoot section](#).

Tracking validation – the portal will try to validate that the uploaded tracking number is active(scanned by the carrier), linked to the correct carrier and its delivery target is the same as the customer address. Any failure of one of these parameter will cause the tracking to be rejected. The portal will attempt to validate the tracking from the moment it was uploaded until 23:59PM CT the following calendar day(at least 24 hours) . When tracking is rejected the order will re-open and will reappear in the “view orders” tab.

The 3 different Tracking Status

- Processing – the portal is trying to validate the tracking numbers.
- Imported – the portal validated and accepted all tracking numbers.
- Imported With Errors – some or all the tracking numbers were rejected.

Tracking



Status	Rows Accepted	Rows Rejected	Total Rows	Created At
Processing	0	0	1	11/09/2016 14:38
Imported	2	0	2	06/24/2016 14:26
Imported With Errors	0	1	1	06/21/2016 12:58

Tracking Upload Troubleshoot

Tracking upload checklist

- Tracking info was input into the provided "Tracking upload template"
- The column headers were not changed
- No extra column were added to the existing six
- All lines must be completely filled . Any empty cell will prevent the file from being uploaded
- The file is saved in CSV (Comma Delimited) format
- The tracking column (B) was formatted as a number (without the decimal point .00)
- The OrderNumber (seven digits) is used not the CustomerOrderNumber(eight digits)
- The uploaded quantity is identical to the quantity in the order file (not how many boxes were shipped)
- There are no spaces or symbols following the tracking number
- The correct carrier abbreviation was used. For the complete list please see [supported carrier list](#)

Tracking was uploaded but I still see the order open in the "view orders" tab

1. Was the tracking file uploaded?
 - Go to the upload tracking tab and verify that the most recent row (very top) represent the file you uploaded. Please pay attention to the date and time stamp.
If it is not the case, your file was rejected due to formatting issue or missing data.
Is the file saved as CSV (Comma delimited) ? Do the column headers named correctly?
Please contact dropship@woot.com if you are unable to locate the Tracking Upload Template.
2. Was the correct quantity uploaded?
 - On the order file, each order has assigned units that need to be shipped.
If the wrong amount of units are specified on the tracking upload template, the order will remain open with the remaining units.
Please upload tracking with the correct quantity and the order will close.
3. The tracking numbers were rejected

-Tracking number is rejected when the portal cannot validate it or it is shipped to the wrong address:

Rejection reason	Solution
Tracking has no scans after 24 hours	<ul style="list-style-type: none"> - Make sure the package was picked up - Make sure you specified the correct carrier in the tracking upload file - Make sure the tracking number is formatted and appears as a number when clicking on the uploading row. - Contact the carrier
State mismatch between tracking and order	<ul style="list-style-type: none"> - The target address and the customer address don't match. - Re-route the package or reship and upload new tracking. - If the shipped address is correct please contact dropship@woot.com
Error	<ul style="list-style-type: none"> - The portal was unable to connect to the carrier's server. - Tracking was uploaded with the wrong carrier. - The tracking number has been previously used for another shipment and there is an address conflict - Make sure the tracking number is correct. Please contact dropship@woot.com

Supported Carriers

Carriers	Accepted Abbreviations
A.DuiePyle	DUIE PYLE
A1 International	A1
AAA Cooper	AAA COOPER
ABF	ABF
Ace Delivery	ACE DELIVERY
AGS	AGS
AIT Worldwide	AIT
ALG Worldwide	ALG, ALG WORLDWIDE
AM Home Delivery	AM TRUCKING
Amazon Logistics	AMAZON, AMAZON LOGISTICS
Averitt	AVERITT
Best Overnight Express	BEST OVERNITE EXPR
BTX Global Logistics	BTX

Central Freight Line	CENTRAL FREIGHT LINE
Central Transport	Central Transport
CEVA Logistics	CEVA
CH Robinson	CHRobinson
Champion Logistic	CHAMPION LOGISTIC
Chicago Suburban Express	CHICAGO SUBURBAN EXP
Con-Way	CONWAY
Custom Companies	CUSTOM COMPANIES
DANZAS	DANZAS
Dats Trucking Inc.	DATS
Dayton Freight Lines	DAYTON FREIGHT, DAYTON FREIGHT LINES
DB Schenker	DBS
DC-Logistics	DC-LOGISTICS
Dependable Highway	DEPENDABLE HIGHWAY
DHL Global Mail	DHL GLOBAL, DHL GLOBAL MAIL, DHL GM
Dotline	DOTLINE, DOT-LINE
Eastern Connection	EASTERN CONNECTION
EDI Express	EDI EXPRESS
ESTES Express	ESTES EXPRESS
ESTES Forwarding	ESTES FORWARDING, EFW
ESTes Level	ESTREET
Expedited Freight Sytems	Expedited Freight Sytems, EFS
Fedex	FDX, FEDEX
FIMS1	FIMS1
Forward Air	FORWARD AIR
Glb Solutions	GLB SOLUTIONS
Golder State	GOLDEN STATE
HEP Direct	HEPDIRECT
HO Medirect	HOMEDIRECT
J.B. Hunt	JBHUNT
Jet Delivery	JET DELIVERY
Laser Ship	LASERSHIP
Last Mile Home	LAST MILE HOME
Lodeso	LODESO
MAIL Innovations	MAIL INNOVATIONS
Main Freight	MAINFREIGHT
Manna	MANNA
METROPOLITAN	METROPOLITAN
Midwest Motor	MIDWEST MOTOR, MIDWEST MOTOR EXPRESS
MONROE Transport	MONROE TRANSPORT
New Penn	New Penn

Nonstop Delivery	NONSTOPDELIVERY
NVC Logistics	NVC, NVClogistics
ODFL Services	ODFL
Old Dominion Freight Lines	OLD DOMINION FREIGHT LINES
Omni Logistics	Omni
On Trac	ONTRAC
Pilot	PILOT
Pitt Ohio	PITT OHIO
Prestige	PRESTIGE
Prime-Time Transport	PRIME-TIME TRANSPORT
R&L	R&L, R&L CARRIERS
Reddaway	REDDAWAY
Road Runner	ROADRUNNER
Roadway	ROADWAY
SAIA	SAIA
Seko Logistics	SEKO
Service by Air (SBA)	SERVICE BY AIR, SERVICE BY AIR (SBA), SBA
South-Eastern Freight Lines	SOUTH EASTERN FREIGHT LINES, SOUTHEASTERN FRT
STI Delivers	STI
Tech Trans	Tech Trans, TechTrans, TecTrans
Total Transportation Solution Inc.	Total Transportation
Towne Air Freight	TOWNE AIR FREIGHT
UPS	UPS
UPS Freight	UPS FREIGHT, UPSFT
UPS Mail Innovations	UPSMI
USPS	USPS
Validation Key	Validation Key
Velocity Express	VELOCITY_EXPRESS
Vision Express	VISION EXPRESS
Ward Trucking	WARD TRUCKING
Wilson Trucking	WILSONWEB
Woot Introduction	WOOT INTRODUCTION
XPO logistics	XPO logistics, XPOlogistics
YRC	YRC, YRC LOGISTICS

Training/Testing procedure

The goal of this procedure is to eliminate delays due to technical issues once real orders are placed. It is Direct Fulfillment Vendor's responsibility to initiate/complete the training session and/or schedule training session with Woot Dropship team, at least five (5) business days prior to the launch of any Event by Woot.

This isn't a requirement however. If the vendor feels the process is straight forward and there is no need for testing that is perfectly acceptable.

Processing

Woot-Dropship team will place a test order in your account upon request .

-Download the order file ("view orders" tab----cloud icon---- download CSV file)

-Create shipping label using Woot account#** unless the PO indicates you ship on your own expense.

**please contact the Dropship team with your PO# or the account#, **

- Reference the order number on the label

- Set the return address as Woot's address or change the shipper company name on the label to

Woot.com :

Woot.com

4121 International Pkwy

Carrollton, TX 75007

000-000-0000

Or

Woot.com

Your warehouse address

000-000-0000

-Upload tracking by following the process – [here](#).

Review and approval

*Contact dropship@woot.com for a review and confirmation.

Please follow the portal guide and feel free to contact the Dropship team with any questions.

The person or team that will be downloading orders and uploading tracking must practice the testing process (not sales rep) .

Chapter 3 – Shipping Packing and labeling requirements

Shipping

Woot requires vendors to ship with UPS by utilizing Woot 3rd party account, unless agreed and signed upon with the buyer.

In order to utilize Woot account, vendors must have their own UPS account.

Woot buyer will supply you with the corresponding account#. If the account information is not available for any reason please contact the Dropship department at dropship@woot.com.

Please have your vendor# or PO# available.

Daily pick up

In order to meet the 2 calendar days ship SLA vendor must have daily carrier pick up set.

Woot will not pay the pickup fee

Ship SLA

SLA= Service Level Agreement. e.g. "required ship date"

The SLA cannot be customized. Only 2 options are available.

-Unless agreed upon and defined on the PO, all orders must ship within 2 calendar days.

-In case of made to order/ freight (LTL) product- the PO must mention it. It is the vendor's responsibility to assure it is included in the PO.

Made to order products and freight (LTL) products will receive 5 calendar days SLA.

The following holidays will not be considered as a calendar day (in the required ship date calculation):

****If the holiday falls on a Saturday the holiday is observed on Friday, if the holiday falls on a Sunday the holiday is observed on Monday****

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas Day

Merchandise

In stock -Vendors must have all the inventory that was signed on and it is shown in PO in stock and reserve for Woot until the sale has ended and all orders were fulfilled.

Location – Unless specified in advance on the PO and was communicated to the dropship department, all inventory must be present within the **continental** US.

Safety stock – Although not required, Woot strongly suggest to keep some safety stock for a period of 35 days after orders were fulfilled and shipped, mainly for the purpose of replacement units due to damaged/defective products.

Consolidate packages

Although not required, Woot strongly preferred vendors to consolidate all items purchased by the same customer with the same shipping address, into fewer as possible packages.

It will increase the customer satisfaction and reduce the shipping cost.

Woot Dropship Packing Guide V.9152016

Sufficient packing material must be used to ensure that contents are not damaged in transit to residential addresses.

In a nutshell:

- Use high quality, durable and undamaged corrugated box for any shipment.
- Unless the box is manufacturer original or a clean solid brown box, please use a new box.
- Only non-fragile or small bubble wrapped protected items can be shipped in a padded mailer envelope.
- Padding and cushioning material should be used if the item is fragile or not in a pre-packed retail packaging already
- The shipping label should be clean and readable. Woot's address should show as the return address and the customer order number should be referenced.
- A packing slip is not required. Unless you have to attach one due to the packing process on your side, please don't.
- Woot does not accept marketing materials such as pre-priced labels, pamphlets, price tags, or other non-Woot labels.
- Expiration dates must be displayed in the format MM-DD-YYYY. If the expiration date is printed in a different format, a sticker with the correct format must be applied, covering the original expiration date.
- You must use safety knives with covered blades when packing products. This helps prevent sharp objects, such as blades, from being accidentally left in boxes and potentially injuring a Woot customer.

1. External protection – Boxing

- Corrugated box
 - Corrugated boxes are preferred
 - A box does not have to be new, but it must be manufacturer original or a clean solid brown box, sturdy and undamaged (NO water, tears or puncture damage).
 - If box is reused, it must be cleaned of any previous labeling and marking.
 - Different boxes are designed to carry different maximum weight. Use the correct box according to the item weight and dimensions.
- Poly mailer
 - Use for small non-fragile items such as clothing, as it offers no padding or protection.
- Padded envelope
 - Can be used for small products. Items that are less than two inches in thickness. Item not in retail packaging should be boxed.

2. Internal protection – Padding

- Items can be damaged inside a sturdy box by hitting against each other. Shipper must provide dunnage to ensure that there is movement of the contents. Dunnage material includes bubble wrap, air bags, “peanuts”, foam liner, crumpled kraft paper, etc. which should surround the items and fill the empty space in the box to prevent movement.
- In case of fragile items, the items should be separated from each other (unless in a retail packaging) and from the internal walls of the box by at least 2 inches of sturdy padding material.
- Heavy items should be padded and double boxed.

3. Sealing the package

- Poly and padded mailer must be sealed by the designed glue strip. If it is not possible then the envelope is simply not big enough.
- Corrugated boxes should be taped with strong, thick tape (at least 2 inches in width).
- Cellophane tape, masking tape, duct tape or string are not to be used.
- “H taping method” is the most protective method.

4. Labeling

- The shipping label must be clean, readable and include all the necessary data:
 - Customer name, address and phone number
- All shipping labels must include:
 - Woot’s address as the ship-from address and/or return-to address and
 - The applicable Customer Order number as provided below

Woot’s Address:

Woot.com

4121 International Pkwy

Carrollton, TX 75007

Phone# 000-000-0000

Customer Order Number: [XXXXXXX]

- The order number must be referenced on the label
- The vendor may not include any branding or marketing materials in or on the box/envelope/mailer
- The label should be placed on the top part of the package but not on seams or tape in order to prevent label tear or removal.
- If a generic packing slip cannot be created, then no slip should be attached.
- Attached protective labeling such as “Glass”, “Fragile”, etc.

Chapter 4 – Missing, Incorrect, Defective or Damaged Direct Fulfillment Products

Commitment

Our customers trust us to supply them the product they ordered, in the advertised condition and supply it on time.

In order to keep and maintain our customers' trust, Woot will resolve any case of Missing, Incorrect, Defective or Damaged Direct Fulfillment Products by:

- Supplying new/replacement/correct unit
- Or
- Refunding the customer and supply them with a coupon

As you are the owner of the units (the vendor), we expect you to be able to resolve these cases.

If you are unable to send replacement (same or upgraded model) units, Woot will, but the vendor will pay the cost difference and/or \$10. Please see [Chapter 5 – Fees](#).

Safety stock

Woot cannot require the vendor to hold a safety stock (unless specific agreement is in place), however Woot expect vendors to ship only functioning and as advertised products.

We suggest that you will hold some safety stock in order to replenish replacement orders due to damage/defective.

Chapter 5 – Fees

Fee schedule

Criteria	Requirements/Fee
Performance measured	Per event
Required ship date	All orders must ship by the required ship date. Usually 2-3 calendar (not business) days
Required ship date miss	Chargeback: \$10 per unit
Cancelled order (vendor's fault)	Woot will source the product and charge the difference of the fulfilment cost+ \$10. If no replacement is available - \$10 - per cancelled unit
Missed Required Tracking Return Date	Unresponsive vendor - order will be deemed as "cancelled by the vendor". Please see " Cancelled order " penalty above. If orders were not cancelled but shipped on time and tracking was supplied in delay: \$5 charge per unit
Damage/Defective	Will be update in Q1 2019

Chapter 6 – Invoicing

Invoicing Requirements

Invoice should be sent only once the event/sale has ended and all orders were fulfilled.

Fulfilled means – tracking was uploaded and accepted.

Woot requires a consolidated invoice for each Purchase Order (PO) in order to receive payment. A consolidated document should include all items shipped under a specific PO Number and have one unique invoice. The PO Number accounting requires is the number on the PO exchanged between our purchaser and your sales person. We do not use the numbers associated with the end user (i.e. the dropship file number, which is the Customer Level PO). Due to our system limitations, and the large number of invoices processed daily, it is very important that we receive a consolidate invoice for prompt processing.

A consolidated invoice is not one page with a list of an invoice number for each shipment. We cannot use statements to invoice as this does not provide us the item numbers or total quantity of each product shipped for an event.

Each invoice should have the following:

The Invoice Date - So we know when to pay the invoice based on our terms with your company. Most vendors use the ship date; however, if the invoice date is earlier than the receipt date of the invoice, the receipt date will be used.

The Master PO Number – Some vendors have several POs going at a time, referencing the PO number allows us to match the invoice to the PO without delays.

Your Invoice Number – So your AR department will know how to apply the payment once received.

Consolidated List of Items Sold- Not customer numbers, invoice numbers, or order numbers. We need to know exactly what product we are paying for.

If you meet this documentation criteria, there should be no problems getting you paid, and on time. See some example formats below:

Example 1: If you ship 50 of product x and 20 of product y, we should only have two line items on the invoice.

Vendor Invoice No: 1234

Invoice Date: 01/01/17

Woot PO No: 51234 (will always be a 5 digit number)

QTY	Description	Unit Price	Total
50	X	10.00	500.00
20	Y	9.00	180.00
			680.00

Example 2:

If you shipped 58 of the same product to a customer then the consolidated line should resemble the below screen shot:

QTY	DESCRIPTION	UNIT PRICE	TOTAL
58	Product description	150.00	8,700.00

Helpful Contact Information:

Dropship Inquiries and Order Files: dropship@woot.com

Invoice/Payment Questions: accountspayable@woot.com

Vendor Maintenance (email/address/term/payment updates): woot-vendor-maintenance@amazon.com

Chapter 7- Legal information

Direct Fulfillment Addendum to Woot Vendor Terms and Conditions

Updated February 1, 2017

This Direct Fulfillment Addendum (this “**Addendum**”) amends the Woot Services LLC (“**Woot**”) Vendor Terms and Conditions located at <http://www.woot.com/vendorterms>, which have been accepted by you (“**Direct Fulfillment Vendor**” or “**you**”) on Woot’s web portal (the “**Agreement**”), to incorporate terms and conditions related to services provided by you related to the package and delivery by you of certain Products directly to Woot customers (the “**Direct Fulfillment Services**” or “**Drop-Ship**”). If the parties determine that you will provide the Direct Fulfillment Services, then you will comply with this Addendum. Unless otherwise modified by this Addendum all references to Products in the Agreement shall be deemed to be referring to Direct Fulfillment Products (defined below) for the purposes of this Addendum.

1. Definitions: All capitalized terms not defined in this Addendum shall have the meaning provided in the Agreement.
 - (a). “**Customer Order**” means a Woot customer purchase order. Each Customer Order is represented by a unique order number in the Woot Direct Fulfillment Portal.
 - (b). “**Direct Fulfillment Products**” means any Products that Direct Fulfillment Vendor offers and Woot purchases in accordance with the terms of this Addendum.
 - (c). “**Event**” means a sale hosted by Woot to sell Products at a discounted or promotional price.
 - (d). “**Required Ship Date**” or “**RSD**” means the date that is two (2) calendar days (except (i) for “print to order” Products, is ten (10) calendar days; (ii) for “made to order” Products, is seven (7) calendar days; and (iii) for LTL freight shipping Products, is five (5) calendar days) from the time a Customer Order has been placed. If a Customer Order is placed after 10:30AM Central Time, that day will not be counted towards the required calendar days for calculating the RSD. Notwithstanding the foregoing, Woot shall have the sole and absolute discretion in determining which category above the specific Customer Order falls under.
 - (e). “**Required Tracking Return Date**” means the date that is within 24 hours following the RSD. Direct Fulfillment Vendor must upload Shipment tracking information to the Woot Direct Fulfillment Portal by the Required Tracking Return Date.
 - (f). “**Shipped**” or “**Shipment**” means a Customer Order has been (i) packaged and labeled by Direct Fulfillment Vendor and (ii) picked up and scanned by the carrier.
 - (g). “**Woot Direct Fulfillment Portal**” means the Woot’s web portal located at <https://dropship.woot.com/account/signin?ReturnUrl=%2forder>.
2. Registration Requirements: All prospective Direct Fulfillment Vendors must (i) register via the Woot Direct Fulfillment Portal, (ii) accept and agree to comply with this Addendum, and (iii) complete the Direct Fulfillment training (instructions will be emailed separately by Woot). Direct

Fulfillment Vendor will receive registration confirmation from Woot based on completion of these requirements. Direct Fulfillment Vendor must complete the required Direct Fulfillment training and know how to operate the Woot Direct Fulfillment Portal prior to the launch of any Event by Woot. It is Direct Fulfillment Vendor's responsibility to schedule the required Direct Fulfillment training and a testing session by sending a request to dropship@woot.com at least five (5) business days prior to the launch of any Event by Woot.

3. Direct Fulfillment PO; Inventory Requirements:
 - (a). Woot may purchase Products from Direct Fulfillment Vendor by submitting a purchase order (a "**Direct Fulfillment PO**"). All Direct Fulfillment POs are subject to the terms and conditions of this Addendum and the Agreement.
 - (b). Direct Fulfillment Vendor must notify Woot by emailing the corresponding Woot buyer or dropship@woot.com at least two (2) business days prior to the date of any Event, if some or all of the inventory on the applicable Direct Fulfillment PO becomes unavailable for Shipment.
 - (c). Direct Fulfillment Vendor agrees that Woot is not obligated to purchase any Products on a Direct Fulfillment PO that have not been Shipped. Woot may, but is not obligated to, purchase some or all of the remaining inventory on any Direct Fulfillment PO by submitting a retail PO directly to Direct Fulfillment Vendor in accordance with the terms and conditions in the Agreement.
4. Woot Customers: Woot's customers are not, by virtue of this Addendum or the Agreement, any Direct Fulfillment Vendor's customers. Direct Fulfillment Vendor will not handle or address any contacts with any of Woot's customers, and, if contacted by any of Woot's customers, Direct Fulfillment Vendor will state that those customers must follow contact directions on the web site on which the purchase was made to address customer service issues; provided that this Section 4 will not restrict Direct Fulfillment Vendor with respect to people or entities who are Woot's customers but contact Direct Fulfillment Vendor for matters unrelated to Woot, the Direct Fulfillment Products or the Direct Fulfillment Services, or with respect to distributing and processing product warranty cards.
5. Compensation: Direct Fulfillment Vendor's compensation for the purchase of the Direct Fulfillment Products and for the performance of the Direct Fulfillment Services (including without limitation all labor, materials, costs and expenses of the Direct Fulfillment Services) is included in the price invoiced for the related Direct Fulfillment Product(s), and Direct Fulfillment Vendor will not be entitled to, and Woot will not pay, any other fees, costs, accessorial, additional, expenses, charges, surcharges, taxes, tariffs or other compensation or reimbursement in connection with the Direct Fulfillment Services.
6. Warranties: Direct Fulfillment Vendor represents, warrants and covenants that Direct Fulfillment Vendor will comply with all laws, regulations and rules relating to the Direct Fulfillment Services. Woot may from time to time give volume and other projections to Direct Fulfillment Vendor,

but such projections are speculative only and will not give rise to liability for Woot. Woot does not make any representation, warranty, or promise as to the amount of business or Direct Fulfillment POs Direct Fulfillment Vendor can expect at any time under this Addendum or the Agreement, and Woot will not be liable for any actions Direct Fulfillment Vendor undertakes based on Direct Fulfillment Vendor's expectations.

7. Tax Matters: Woot will provide Direct Fulfillment Vendor with a resale exemption certificate, either with respect to the Multi-State Tax Commission or to any other jurisdiction Woot deems appropriate in Woot's sole discretion, with respect to any purchases of Direct Fulfillment Products. Direct Fulfillment Vendor accepts such resale exemption certificates with respect to Direct Fulfillment Products and Direct Fulfillment Services and will not charge to (or seek reimbursement from) Woot any sales, use or similar taxes ("**Sales Taxes**"), add separate line items on invoices for any Sales Taxes, or add any statement to the invoices stating that the Direct Fulfillment Product or Direct Fulfillment Service prices include Sales Taxes. Direct Fulfillment Vendor agrees not to Drop-Ship from any of the following states: Hawaii, Louisiana, and Mississippi. Direct Fulfillment Vendor will be solely liable for, and will indemnify and hold Woot harmless against, any and all Sales Taxes assessed or claimed upon the sale or provision of any Direct Fulfillment Products or Direct Fulfillment Services under this Addendum and against all interest, penalties, costs and expenses (including attorneys' fees) related to such Sales Taxes. Each of the parties will use commercially reasonable efforts (at its own expense) to cooperate and provide assistance to each other with respect to any potential state or local Sales Tax audit in connection with the Direct Fulfillment Services; provided that no party will be required to provide information that is not readily available using such party's existing information systems, and no party will be required to modify or create new systems to obtain or process any such required or requested Sales Tax information. Woot may terminate this Addendum in its entirety or with respect to any Direct Fulfillment Product or any facility from which Direct Fulfillment Vendor provides Direct Fulfillment Services (or group of Products or facilities) if Woot determines that the Direct Fulfillment Services or related transactions are causing or are reasonably likely to cause any adverse tax effect.
8. Packaging:
 - (a). *Over-Boxing*: Direct Fulfillment Vendor will package Direct Fulfillment Products to protect the Direct Fulfillment Products against damage during shipment and to comply with any freight carrier guidelines. Direct Fulfillment Vendor will package Direct Fulfillment Products in a separate shippable box ("**Over-Boxing**"), if (a) the Direct Fulfillment Product is not already packaged in a shippable container or (b) Woot decides that the Direct Fulfillment Product must be Over-Boxed to conceal the identity of such Direct Fulfillment Products, or to reduce the risk of theft during shipment, or for any other reason in Woot's sole discretion.
 - (b). *Dunnage*: All Direct Fulfillment Products should be bubble wrapped and/or protected by air bags in a compact packaging. The complete packaging guidelines will be provided to Direct Fulfillment Vendor by Woot during the onboarding process. Sufficient packing

materials must be used to ensure that Direct Fulfillment Products will not be damaged during transit to Woot customers. Packages that arrive damaged will be deemed “damaged” as described in Section 12 and subject to Chargebacks.

- (c). *Packing Quality and Accuracy*: Direct Fulfillment Vendor will prevent any packing errors, including: missing, extra, incorrect, defective or damaged Direct Fulfillment Product(s); wrong shipping label; or damaged boxes.
- (d). *No Splitting Shipment*: Direct Fulfillment Vendor will not substitute any items in any Customer Order. Direct Fulfillment Vendor will ensure each Customer Order is Shipped in a single box and will not split any Customer Order into multiple packages unless the total weight or dimension of all Direct Fulfillment Products included in the Customer Order exceeds the capacity of the largest shipping container used by Direct Fulfillment Vendor or otherwise directed by Woot to use multiple boxes to ship a Customer Order.
- (e). *No Marketing/Branding*: Direct Fulfillment Vendor may not include any branding or marketing materials in any package. Except for manufacturer’s trademark affixed to a Direct Fulfillment Product package, Direct Fulfillment Vendor will ship Direct Fulfillment Products in unmarked, unbranded boxes or packaging and Direct Fulfillment Vendor will not affix, include or associate any trademarks, logos, names, addresses, or any other vendor-specific information to or with any Direct Fulfillment Products, packaging, packing slip or packing tapes without Woot’s prior written approval. Examples of acceptable information are labels such as “Glass” or “Fragile” etc. If Direct Fulfillment Vendor cannot create a generic packing slip, then no packing slip should be included in the package.

9. Shipping:

- (a). *General*: Direct Fulfillment Vendor will tender all packages to a freight carrier designated by Woot for shipment. Title to Direct Fulfillment Products passes to Woot when Direct Fulfillment Vendor places such Direct Fulfillment Products in the hands of the common carrier for shipment. Direct Fulfillment Vendor will prepare Direct Fulfillment Product for shipment, including weighing, packaging, labeling and coding as to type of delivery services required. Direct Fulfillment Vendor will comply with standard operating procedures, weight and size restrictions, and other shipping requirements of the freight carriers. If any Direct Fulfillment Products are regulated as hazardous materials by the Department of Transportation or are subject to other shipping regulations or restrictions imposed by the freight carriers, Direct Fulfillment Vendor will (a) comply with all such regulations and restrictions, including with respect to packaging, labeling, documentation and ship method constraints; (b) is solely responsible for performing all of the “Pre-transportation functions” (as defined by 49 CFR 171.1); and (c) is the party that causes any Direct Fulfillment Products Woot purchases from Direct Fulfillment Vendor pursuant to this Addendum and the Agreement to be transported in commerce as described in 49 CFR 171.1.

- (b). *Payment for Shipping Costs:* Unless otherwise agreed in writing by Woot, Woot will only pay the ground shipping costs for Shipments sent via FedEx or UPS using Woot’s FedEx or UPS accounts. Direct Fulfillment Vendor must be able to ship packages via FedEx or UPS and use FedEx or UPS third-party billing (which means that Direct Fulfillment Vendor will designate itself as the consignor but will instruct the carrier to invoice Woot on the terms of Woot’s account with that carrier). Upon accepting a Direct Fulfillment PO, Direct Fulfillment Vendor must notify Woot by emailing dropship@woot.com if Direct Fulfillment Vendor is unable to ship packages via FedEx or UPS. Direct Fulfillment Vendor will not impose any charge or fee or seek any payment from Woot with respect to shipping costs and expenses. Direct Fulfillment Vendor will use Woot’s carrier account numbers to prepare shipping documents and manifests, and not for any other purpose.
- (c). *Required Ship Date:* Direct Fulfillment Vendor must complete each Shipment by the Required Ship Date.
- (d). *Customer Order Processing:* The standard scheduled delivery date is eight (8) calendar days (with certain limited exceptions in Woot’s sole discretion) from the time a Customer Order has been placed. Direct Fulfillment Vendor should prioritize fulfillment of Customer Orders based on the distance between Direct Fulfillment Vendor’s warehouse location and the customer’s delivery address.
- (e). *Tracking Information:* Direct Fulfillment Vendor must upload the complete Shipment tracking information in the proper format to the Woot Direct Fulfillment Portal by the Required Tracking Return Date regardless of when the applicable Event ends. A Shipment will only be recorded when valid Shipment tracking information is provided and uploaded to the Woot Direct Fulfillment Portal. The instructions for the proper format and tracking information submission process will be provided by Woot during the onboarding process.
- (f). *Shipping Labels:* All shipping labels must include: (1) Woot’s address as the ship-from address and/or return-to address and (2) the applicable Customer Order number as provided below. If any Direct Fulfillment Product tendered for shipment is ultimately undelivered or refused when delivered, such Direct Fulfillment Product will be directed for return to Woot’s address provided below, but, if the carrier attempts to return such Direct Fulfillment Product to Direct Fulfillment Vendor, Direct Fulfillment Vendor will refuse to take delivery of such Direct Fulfillment Product and promptly notify Woot by emailing dropship@woot.com. All customer returns must come directly to Woot. Any exceptions must be approved by Woot in writing.

<u>Woot’s Address:</u>	Woot.com 4121 International Pkwy Carrollton, TX 75007
<u>Phone Number:</u>	000-000-0000
<u>Customer Order Number:</u>	XXX-XXX-XXXX

- (g). *Carrier Pickups*: Direct Fulfillment Vendor must schedule daily pickups from carriers in order to avoid shipment delays. Woot will not pay for any carrier pickup fees. Any carrier pickup fees will be deducted from Woot's payables to Direct Fulfillment Vendor.
10. Customer Order Cancellation: If Direct Fulfillment Vendor is unable to complete a Shipment by the RSD, the applicable Customer Order will be deemed to have been canceled by Direct Fulfillment Vendor (a "**Customer Order Cancellation**"), and (i) Woot will first attempt to locate a replacement Direct Fulfillment Product from an alternative source (a "**Replacement Product**") and Direct Fulfillment Vendor agrees to reimburse Woot for the difference between the cost of purchasing and shipping the Replacement Product to the Woot customer and the cost on the Direct Fulfillment PO, plus \$10 USD per unit replacement fees, and (ii) if Woot is unable to find a Replacement Product in accordance with clause (i) above, Woot will (A) not charge the Woot customer, (B) charge Direct Fulfillment Vendor \$10 USD per cancelled unit; provided that, under either clause (i) or (ii) above, Woot will not pay Direct Fulfillment Vendor for the cancelled Direct Fulfillment Product.
11. Invoicing; Payment: Direct Fulfillment Vendor must provide a consolidated invoice detailing all the Direct Fulfillment Products Woot purchase under the applicable Direct Fulfillment PO and fulfilled by Direct Fulfillment Vendor. Direct Fulfillment Vendor should not provide separate invoices for each Customer Order. Woot will provide the full invoicing instructions during the onboarding process. Failure to submit a consolidated invoice with the applicable Direct Fulfillment PO referenced will delay payment until a properly formatted invoice is resubmitted.
12. Extra, Missing, Incorrect, Defective or Damaged Direct Fulfillment Products: Woot will not pay for any extra Direct Fulfillment Product(s) shipped to Woot customers by error. If a Woot customer notifies Woot that any Direct Fulfillment Product is missing, incorrect, defective or damaged, Direct Fulfillment Vendor is responsible for sending or replacing (as applicable) any such missing, incorrect, defective or damaged Direct Fulfillment Product at its own expense upon Woot's notification. If Direct Fulfillment Vendor is unable to send or replace (as applicable) the missing, incorrect, defective or damaged Direct Fulfillment Product, Woot will not pay Direct Fulfillment Vendor for such missing, incorrect, defective or damaged Direct Fulfillment Product Woot and will charge Direct Fulfillment Vendor any applicable Chargebacks (defined below) in accordance with Exhibit A attached hereto. If the Woot customer returns any incorrect, defective or damaged Direct Fulfillment Product to Woot, Woot may destroy such Direct Fulfillment Product or at Direct Fulfillment Vendor's request and expense return such incorrect, defective or damaged Direct Fulfillment Product to Direct Fulfillment Vendor.
13. Performance Measurements: If Direct Fulfillment Vendor deviates from one or more of the performance standards outlined in this Section 13, Woot may (i) assess a fee in the form of a Chargeback as provided in Section 14, (ii) put Direct Fulfillment Vendor on probation for a period of time in accordance with Section 15, (iii) remove Direct Fulfillment Vendor from Woot's Direct Fulfillment program, or (iv) take any combination of the above actions.

- (a). *Meet RSD*: 99% of the Customer Orders for any Event must be shipped by the applicable RSD.
 - (b). *No Customer Order Cancellations*: Customer Order Cancellations by Direct Fulfillment Vendor will not exceed 1% of total Direct Fulfillment Product units ordered by Woot customers in any Event.
 - (c). *No Damaged Shipment*: 99% of Direct Fulfillment Product units Shipped by Direct Fulfillment Vendor during any Event do not have any reported damages from Woot customers or carriers.
 - (d). *No Defective Direct Fulfillment Products*: 99% of Direct Fulfillment Product units Shipped by Direct Fulfillment Vendor during any Event do not have any reported defect from Woot customers.
14. Chargebacks: In an effort to minimize defects in Woot’s supply chain and keep commitments to Woot customers, Woot may charge Direct Fulfillment Vendor a fee, exclusive of applicable taxes, if Direct Fulfillment Vendor fails to meet Woot’s policies or process requirements provided in this Addendum which may cause Woot to have to perform additional tasks or incur additional costs. These supply chain defects are called “**Operational Non-Compliance Issues**” (or infractions) and the fees charged to Direct Fulfillment Vendor are called “**Chargebacks**”. A Description of the current Chargebacks is listed in Exhibit A to this Addendum. Woot may modify Exhibit A – Chargeback Fee Schedule from time to time by providing an updated version of Exhibit A to Direct Fulfillment Vendor. Chargebacks will be calculated monthly and deducted from amounts payable by Woot to Direct Fulfillment Vendor.
15. Probation Process: If Direct Fulfillment Vendor fails to meet Woot’s policies or process requirements outlined in this Addendum in more than 10% of the Customer Orders for any Event (measured by Direct Fulfillment Product units ordered by Woot customers), new Customer Order assignments will cease until the relevant Operational Non-Compliance Issues are resolved to Woot’s satisfaction.
16. Miscellaneous: This Addendum incorporates, and Direct Fulfillment Vendor, the Direct Fulfillment Products and the Direct Fulfillment Services will comply with, the terms, conditions, policies, guidelines, specifications, rules and other information applicable to the Direct Fulfillment Services and accessible on the Woot Direct Fulfillment Portal at the time of Direct Fulfillment Product Shipment (“**Direct Fulfillment Program Policies**”), including without limitation any updates to such Direct Fulfillment Program Policies from time to time. To the extent there is a conflict between this Addendum and the Direct Fulfillment Program Policies, the terms of this Addendum will control. No force majeure or similar provision excusing performance that applies generally under the Agreement will be deemed to apply to the obligation to perform the Direct Fulfillment Services.
17. Revisions; Continued Use: Direct Fulfillment Program Policies are Program Policies for purposes of the Agreement, and are subject to change in accordance with Section 11 of the Agreement.
- DIRECT FULFILLMENT VENDOR’S CONTINUED ACCEPTANCE OF DIRECT FULFILLMENT POS

FOLLOWING WOOT'S E-MAILING OR POSTING OF ANY REVISED TERMS, CONDITIONS, OR DIRECT FULFILLMENT PROGRAM POLICIES, OR ANY NOTICE OF ANY SUCH REVISIONS, WILL CONSTITUTE DIRECT FULFILLMENT VENDOR'S ACCEPTANCE OF THE REVISIONS. IF DIRECT FULFILLMENT VENDOR DOES NOT AGREE TO ANY CHANGES TO THIS ADDEDUM (INCLUDING WITHOUT LIMITATION THE DIRECT FULFILLMENT PROGRAM POLICIES), DIRECT FULFILLMENT VENDOR MUST STOP ACCEPTING DIRECT FULFILLMENT POS, AND MUST GIVE WOOT NOTICE IN ACCORDANCE WITH SECTION 10 OF THE AGREEMENT.

EXHIBIT A
Chargeback Fee Schedule*

Item	Operational Non-Compliance Issues	Performance Measurements	Chargebacks
A	Missed RSD**	If Direct Fulfillment Vendor fails to meet the performance standard set forth in Section 13(a) of this Addendum	\$10 USD for each Product unit that misses the applicable Required Ship Date.
B	Missed Required Tracking Return Date	If the Customer Order has been cancelled by Direct Fulfillment Vendor	Direct Fulfillment Vendor will be charged the applicable Chargeback in accordance with Item C "Customer Order Cancellation" below.
		If the Customer Order was not cancelled, and was shipped by the Required Ship Date, but the complete Shipment tracking information is not uploaded to the Woot Direct Fulfillment Portal by the Required Tracking Return Date	\$5 USD per unit
C	Customer Order Cancellation	Any cancelled Customer Order by Direct Fulfillment Vendor	Direct Fulfillment Vendor will be charged either (i) the difference between the cost of purchasing and shipping the Replacement Product and the cost on the Direct Fulfillment PO, plus \$10 USD per unit replacement fees, or (ii) \$10 USD per cancelled unit if Woot is unable to source the Replacement Product (in either case, Woot will not pay Direct Fulfillment Vendor for the cancelled Direct Fulfillment Product).

Item	Operational Non-Compliance Issues	Performance Measurements	Chargebacks
D	Missing, Incorrect, Defective or Damaged Direct Fulfillment Products	If any Direct Fulfillment Product in a Customer Order is missing, incorrect, damaged or defective	If Direct Fulfillment Vendor is unable to send or replace the missing, incorrect, damaged or defective Direct Fulfillment Product, Direct Fulfillment Vendor will be charged (i) either (A) the cost of purchasing and shipping the Replacement Product, plus \$10 USD per unit replacement fees, or (B) \$10 USD per unit if Woot is unable to source the Replacement Product (and Woot will not pay Direct Fulfillment Vendor for the missing, incorrect, damaged or defective Direct Fulfillment Product), (ii) any inbound shipping expenses for the Woot customer to return the incorrect, defective or damaged Direct Fulfillment Product to Woot (if applicable) and (iii) any outbound shipping expenses for Woot to send the incorrect, defective or damaged Direct Fulfillment Product back to Direct Fulfillment Vendor (if applicable).

* This Chargeback Fee Schedule will become effective immediately.

** New Direct Fulfillment Vendor who accepts a Direct Fulfillment PO after February 1, 2017 will have a 30-day grace period from the first day of their first Event before the Missed RSD Chargeback applies.

Vendor Terms and Conditions

Any person or entity ("Vendor") who wants to supply Products (as defined in Section 1) to Woot Services LLC or its affiliates (collectively, "Woot") must accept these Vendor Terms and Conditions ("Agreement") without change. BY ACCEPTING THIS AGREEMENT, YOU (A) ON BEHALF OF YOURSELF AND THE ENTITY THAT YOU REPRESENT, AGREE TO BE BOUND BY ALL TERMS AND CONDITIONS OF THIS AGREEMENT, INCLUDING ALL TERMS AND CONDITIONS INCORPORATED BY REFERENCE; AND (B) CERTIFY THAT YOU ARE AN OFFICER OF VENDOR WHO IS AUTHORIZED TO BIND VENDOR TO THIS AGREEMENT, INCLUDING THE GUARANTIES CONTAINED IN SCHEDULE 2.

- 1. Purchase Orders; Pricing and Taxes:** This Agreement governs Woot's purchase of Products from Vendor. "Products" means all goods, including labeling and packaging, provided to Woot. Woot is not obligated to purchase Products, and Vendor is not obligated to sell Products, until Vendor accepts a purchase order ("PO"). Vendor will not substitute Products or combine or consolidate POs without Woot's consent. Documents that Woot signs acknowledging receipt of Products do not constitute acceptance of the Products. Woot may modify or cancel POs without penalty before Vendor delivers Products to the carrier. The PO provides Product prices and payment terms, excluding discounts or rebates. Prices include any commissions and other charges, unless otherwise noted. Except as otherwise provided in this Section, Vendor may charge Woot any applicable taxes that Vendor is legally obligated to charge purchasers of the Products, if the tax amounts are stated separately on Vendor's invoice for the Products. Vendor is responsible for other fees, taxes and duties, including any taxes Vendor may owe on payments Vendor receives under the Agreement. If Vendor requests (or Woot provides to Vendor) a resale certificate for the state in which Woot is registered for sales and use taxes, then Vendor will not charge or collect from Woot any taxes covered by such certificate.
- 2. Product Images/Information:** Vendor will make available to Woot (including permitting Woot to collect from Vendor's website) all textual materials or metadata requested by Woot for each Product ("Product Information"), including product name, UPC, brand, list price, fabric content (if the product is a textile product), and country of origin. At Vendor's sole discretion, Vendor may choose to provide Woot with Promotional Materials. "Promotional Materials" means any logos, publicity images, and other content or materials Vendor makes available to Woot. Vendor grants Woot a non-exclusive, worldwide, perpetual, irrevocable and royalty-free license to: (a) use, copy and display the Product Information and Promotional Materials on or in connection with any website (or similar ecommerce channel); (b) convert to digital electronic form, excerpt, reformat, adapt or otherwise create derivative works of the Product Information and Promotional Materials; (c) use all trademarks or tradenames included in the Product Information and Promotional Materials; and (d) sublicense any of the foregoing rights to parties participating in Woot's "minions" affiliates program and other similar programs where the users are subject to similar restrictions.
- 3. Warranties:** Vendor represents, warrants and covenants that: (a) the Products are genuine and free from defects; (b) all materials and other items incorporated into the Products are new (not refurbished or reconditioned, without Woot's prior written consent), unless Vendor has received Woot's prior written consent otherwise; (c) the Product Information and Promotional Materials are accurate and complete, and Woot's exercise of its license rights in this Agreement will not violate any third party's rights; (d) Vendor will comply with all laws and rules relating to the Products, and the Products, Product Information, Promotional Materials and import

documentation (if applicable) comply with all applicable laws and rules; (e) the Products may be lawfully marketed, sold and distributed throughout the U.S. without restriction (e.g., no required disclosures, licenses, or registrations) other than any specific restrictions or prohibitions disclosed by Vendor and consented to by Woot in writing; (f) no Product contains ingredients that are regulated by U.S. Drug Enforcement Administration as a controlled substance or listed chemical; (g) no Products will be provided to Woot that are subject to U.S. Department of Transportation regulations as hazardous materials without Woot's prior written consent; (h) no Products were produced, manufactured, assembled, or packaged by forced, prison or child labor (defined as age 15 or the minimum working age within the applicable jurisdiction, whichever is older); and (i) Vendor possesses clean and clear title to, and has the unencumbered right to sell, each and every one of the Products supplied or to be supplied to Woot. If Vendor provides any Product to Woot that is subject to the requirements of the Textile Fiber Products Identification Act, the Fur Products Labeling Act, or the Wool Products Labeling Act, then Vendor provides to Woot the continuing guaranty set forth in Schedule 2(a). If Vendor sells, has sold, or otherwise provides any Product to Woot that is a "pesticide" or "pesticide product" as those terms are defined in the Federal Insecticide, Fungicide, and Rodenticide Act or its implementing regulations, then Vendor provides to Woot the continuing guaranty set forth in Schedule 2(b).

4. **Product Returns; Effect of Remedies; Product Recalls:** Woot may return at Vendor's expense any Product that (a) is damaged or defective, (b) does not conform to agreed specifications or to samples, (c) is subject to recall, (d) was not ordered in the applicable PO, or (e) does not comply with this Agreement. Title and risk of loss for all products returned under this Agreement will pass to Vendor upon delivery by Woot to the carrier. Payment of an invoice does not limit Woot's remedies. Vendor will provide Woot immediate written notice of any recall. Vendor is responsible for costs Woot incurs in a recall.
5. **Vendor Defense and Indemnification:** Vendor will defend Woot Services, LLC, its affiliated companies, and their respective officers, directors, employees, and agents (the "Woot Parties") against any claim that arises, directly or indirectly, from: (a) any death of or injury to any person, damage to any property or any other damage or loss due to any defect in or use of any Product; (b) any Product recall; (c) any infringement or misappropriation of any proprietary right by Products, Product Information, Promotional Materials, or other content Vendor provides to Woot; (d) Vendor's negligence, strict liability or intentional misconduct; (e) Vendor's breach of this Agreement; or (f) Vendor's failure to state accurate Product descriptions, adequate warnings, or instructions (individually, a "Claim", and collectively, the "Claims"). Vendor will indemnify and hold harmless each Woot Party against any liability, loss, damage, cost or expense (including reasonable attorneys' fees) incurred by that Woot Party relating to any Claim, except to the proportional extent the liability is caused by the negligence or intentional misconduct of that Woot Party as determined by a final, non-appealable order of a court having jurisdiction. Vendor will not consent to the entry of a judgment or settle without the Woot Parties' prior written consent, which may not be unreasonably withheld. Vendor will use counsel reasonably satisfactory to the Woot Parties, and the Woot Parties will cooperate in the defense at Vendor's expense. If any Woot Party reasonably determines that any Claim might have an adverse effect, that Woot Party may take control of the defense at its expense (without limiting Vendor's indemnification obligations). Vendor's obligations under this Section 5 are independent of its other obligations under this Agreement.
6. **Limitation of Liability:** WOOT IS NOT LIABLE TO VENDOR FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR OPPORTUNITIES.

7. **Shipping:** The parties will agree which party is responsible for managing and paying for transportation of Products to Woot. When Woot pays for transportation, Vendor will deliver the Products to the Woot-designated carrier and title and risk of damage or loss for the Products will pass to Woot when Vendor delivers the Products to the carrier. When Vendor pays for transportation, title and risk of damage or loss for the Products will pass to Woot when Woot accepts the Products. If Woot is the importer of any Products, Vendor will prepare and submit all documents required to enter those Products into the United States, and will pay any additional fees or charges due to insufficient documentation. Vendor will be the importer, at its expense, of any Products Woot returns to Vendor to a location outside the United States.
8. **Insurance; Proprietary Products; Consignment:** Vendor will comply with Schedule 1. If the parties agree that Vendor will manufacture Products according to Woot's designs or specifications, then Vendor will comply with Schedule 3 for such Products. If the parties agree that Vendor will provide Products for consignment to Woot, Vendor will comply with Schedule 4 for such Products.
9. **Confidential Information:** Vendor will (a) protect Woot's information that is identified as confidential or that reasonably should be considered confidential; (b) use this information only to fulfill its obligations under this Agreement; and (c) promptly return to Woot or destroy this information when this Agreement terminates. Section 9 covers all confidential information regardless of when Vendor receives it. Vendor will not use any trademark, service mark, commercial symbol, or other Woot proprietary right; issue press releases or other publicity relating to Woot or this Agreement; or refer to Woot in promotional materials.
10. **Miscellaneous:** Either party may terminate this Agreement with 60 days' prior written notice, subject to Vendor fulfilling all POs it accepts before the effective date of termination. The provisions of this Agreement which by their nature are intended to survive termination of the Agreement (including representations, warranties, the Product Information and Promotional Materials license, indemnification, insurance, confidentiality, payment obligations, choice of law and jurisdiction, remedies, and guaranties) will survive termination. Any Woot affiliate may issue a PO under this Agreement, and POs are the separate obligation of the affiliate that issues the PO. Vendor will not assign this Agreement, or any obligation or right (including any right to payment) in the Agreement, without Woot's prior written consent. This Agreement is governed by Washington state law, without reference to any applicable conflict of laws rules or the Convention on Contracts for the International Sale of Goods. Vendor irrevocably consents to exclusive jurisdiction of King County, Washington courts for disputes arising out of this Agreement. Woot's estimates or forecasts are non-binding. Woot may either withhold and setoff, or demand payment of, any sums Vendor owes to Woot, including any taxes that Woot is legally required to withhold from amounts Woot pays to Vendor. Woot may conduct a reasonable audit of Vendor's records related to this Agreement. If Vendor does not respond within a reasonable period after receiving an audit claim, Woot will deduct the claim from Vendor's next remittance. The parties' rights and remedies under this Agreement are cumulative. Either party's failure to enforce any provision will not be a waiver of the party's rights to subsequently enforce the provision. If any provision is held to be invalid, then that provision will be modified to the extent necessary to make it enforceable, and any invalidity will not affect the remaining provisions. This Agreement incorporates, and Vendor will comply with, the terms, conditions, policies, guidelines, rules and other information ("Program Policies") that Woot makes available to Vendor, including any updates to such Program Policies from time to time. To the extent there is a conflict between this Agreement and the Program Policies, the terms of the Agreement will control. Vendor may use standard business forms or other communications (such as invoices, confirmations or shipping documents), but use of these

forms is for convenience only and will not alter or supersede the provisions of this Agreement. This Agreement is the entire agreement between Woot and Vendor for the purchase and sale of Products, and supersedes all prior agreements and discussions.

11. **Revisions; Continued Use:** Woot reserves the right to change any of the terms and conditions contained in this Agreement, including any Program Policies incorporated herein, at any time and in its sole discretion. Any changes will be effective upon the earlier to occur of: (a) emailing the revised terms, conditions or Program Policies, or notice of such changes, to Vendor at Vendor's e-mail notice address; or (b) posting of the revised terms, conditions or Program Policies on Woot's website. Vendor is responsible for reviewing any revised terms, conditions, policies, guidelines, and information, and any notices of revisions. **VENDOR'S CONTINUED ACCEPTANCE OF PURCHASE ORDERS FOLLOWING WOOT'S E-MAILING OR POSTING OF ANY REVISED TERMS, CONDITIONS, OR PROGRAM POLICIES, OR ANY NOTICE OF ANY SUCH REVISIONS, WILL CONSTITUTE VENDOR'S ACCEPTANCE OF THE REVISIONS. IF VENDOR DOES NOT AGREE TO ANY CHANGES TO THIS AGREEMENT, VENDOR MUST NOT CONTINUE TO ACCEPT PURCHASE ORDERS, AND MUST GIVE WOOT NOTICE IN ACCORDANCE WITH SECTION 10 ABOVE.**

SCHEDULE 1 INSURANCE

1. If Vendor provides to Woot any Product other than books, music, video, DVD, videogames or software, then Vendor will obtain and maintain, at its expense, commercial general liability insurance coverage (which must include products liability coverage) of at least \$1 million per occurrence and \$2 million aggregate. However, if the Products include any Specified Products (as defined below), then the limits of Vendor's insurance coverage will be at least \$1 million per occurrence and \$5 million aggregate. Vendor must maintain its insurance coverage for 12 months after the expiration or termination of this Agreement. "Specified Products" means: children's or infant's clothing and/or sleepwear, excluding shoes; baby carriages, walkers and strollers; scooters, mini-bikes, mopeds, tricycles, wagons and other ride-on toys; all-terrain vehicles; children's sports and hobby equipment; electric trains, cars, and related accessories; projectile or flying toys; toy chests and boxes; BB guns, BBs and pellets (gas, air or spring loaded) and similar Products; automotive brakes and related accessories; seasonal decorations; perishable consumable Products; over-the counter medications; medical devices and health-care equipment; power tools, including welding and soldering tools; alarms and escape equipment; heating Products (including stoves, heaters, furnaces) and accessories; indoor or outdoor lighting Products and accessories; power lawn and landscaping equipment (including lawn mowers and chain saws); automatic doors and door openers; fertilizers, pesticides and chemicals; life safety equipment for recreational sports and activities; and inflatable Products for water skiing, tubing and surfing.
2. Vendor's required minimum limits of insurance may be satisfied by any combination of primary and excess/umbrella liability insurance policies. Each of these policy coverages shall be primary and non-contributory to any such coverage carried by Woot. Vendor will name "Woot Services LLC and its affiliates and their respective officers, directors, employees and agents" as additional insureds on each insurance policy required by this Schedule and will provide Woot with 30 days' advance notice of cancellation, significant modification or expiration of each policy.
3. Within 30 days after the effective date of this Agreement (and at each policy renewal thereafter), Vendor will provide a certificate of insurance for each insurance policy required by this Schedule to Woot's Risk Management, Attn: Risk Management, P.O. Box 81226 Seattle, Washington 98108-1300, fax no. (206) 266- 2015. Woot's approval of Vendor's insurance does

not relieve Vendor of any obligations, including but not limited to its defense and indemnity obligations, even for claims over Vendor's policy limits. If Vendor fails to perform any of its obligations in this Schedule, Woot may withhold payments owed to Vendor until Vendor meets these obligations.

SCHEDULE 2 GUARANTIES

Vendor certifies that the statements in this Schedule 2 are true and correct.

Schedule 2(a)

Vendor guarantees that all textile fiber, fur or wool Products now being sold or which may hereafter be sold or delivered to Woot are not, and will not be misbranded nor falsely nor deceptively advertised or invoiced under the provisions of the Textile Fiber Products Identification Act, the Fur Products Labeling Act, the Wool Products Labeling Act, and the rules and regulations under any of these acts. Vendor acknowledges that furnishing a false guaranty is an unlawful, unfair, and deceptive act or practice pursuant to the Federal Trade Commission Act and certifies that Vendor will actively monitor and ensure compliance with the Textile Fiber Products Identification Act, the Fur Products Labeling Act, the Wool Products Labeling Act, and the rules and regulations under any of these acts during the duration of this guaranty.

Schedule 2(b)

Vendor guarantees that the pesticide Products comprising each shipment or other delivery made previously or hereafter to or on the order of Woot are either (a) lawfully registered with the United States Environmental Protection Agency and compliant with all requirements of the Federal Insecticide, Fungicide, and Rodenticide Act as of the date of such shipment or delivery, or (b) exempt or excluded from the registration requirements of the Federal Insecticide, Fungicide, and Rodenticide Act.

SCHEDULE 3 PROPRIETARY PRODUCTS

1. If the parties agree that Vendor will manufacture Products according to Specifications ("Proprietary Products"), then Vendor and Vendor's subcontractors will comply with this Schedule; otherwise, this Schedule will not apply. "Specifications" means the specifications, designs, and related documentation that Woot provides to Vendor or is otherwise accepted by Woot in writing. When developing and manufacturing Proprietary Products, Vendor will comply with any Woot social compliance, product quality, product safety and schedule requirements made available by Woot to Vendor ("Compliance Requirements"). Vendor will not modify the Proprietary Products' materials, components, or manufacturing processes unless Vendor has submitted the modifications to Woot and Woot approves the modifications in writing. Vendor may not rely upon any instructions, directions, or documentation provided by a third party, unless Woot notifies Vendor in writing that the third party is authorized to provide such instructions, directions, or documentation.

2. If requested by Woot, Vendor will provide Woot with samples, if any, of proposed proprietary products. Upon 2 business days' notice, Woot will have the right to review and inspect: (a) each of the Proprietary Products, at any stage of their development; (b) Vendor's production facilities; and (c) any materials or documentation relating to, or incorporated in, the Proprietary Products. At Vendor's expense, and as requested by Woot from time to time, Vendor will permit a third party selected by Woot to audit Vendor's compliance with any social and safety compliance requirements. Vendor will implement any corrective actions required by Woot.
3. Before starting full production, Vendor will produce a Woot-designated quantity of finished Proprietary Products. At Woot's option, Vendor will either conduct laboratory tests and retests to ensure that these Proprietary Products comply with the Specifications and Compliance Requirements or permit a third party designated by Woot to conduct these tests at Vendor's expense. The tests must, at a minimum, demonstrate that finished Proprietary Products match the Specifications and Compliance Requirements and, if applicable, any Woot approved samples in all respects. If any Proprietary Products do not match the Specifications, Vendor will mark these Proprietary Products as defective. Vendor will provide Woot with all data and documentation related to the tests and inspections, including a detailed, accurate and complete written description of any defect discovered during any tests and inspections. Vendor will advise Woot about potential remedial actions for defective Proprietary Products. Woot will determine the remedial actions that Vendor must take to cure defects and ensure that Proprietary Products comply in all respects with the Specifications and Compliance Requirements (including any changes to Specifications and Compliance Requirements resulting from the initial tests set forth above).
4. Vendor will start full production to fulfill an open PO only after Woot directs the Vendor to do so in writing. Unless otherwise directed by Woot, each time Vendor ships Proprietary Products to Woot, Vendor will open a Woot-designated number of cartons on a random basis before shipping to Woot (a) to check Proprietary Products and packaging for compliance with Specifications and (b) to photograph Proprietary Products and carton markings. Vendor will immediately provide Woot with a written report that includes the number of cartons inspected by Vendor and all data, photos, information and related documentation regarding the inspection.
5. Woot reserves all rights in the information and materials, including Specifications, provided to Vendor by Woot or Woot's authorized third party. Except as expressly set forth in this Schedule, Woot does not grant to Vendor any license, right, title or interest in, to, under or with respect to any trade secrets, designs, patents, trademarks, copyrights, inventions, data or any intellectual property held by Woot ("Woot Intellectual Property"). Upon Woot's request, Vendor will provide Woot with all information and documentation that is known to Vendor relating to Woot Intellectual Property. Vendor will assist Woot in any related proceeding or litigation, and will promptly execute and deliver to Woot or its legal representative any papers, affidavits and declarations and take such other action as Woot requests to apply for, obtain, maintain and enforce Woot's rights in the Woot Intellectual Property.
6. If Woot directs Vendor to mark or label Proprietary Products with a trade name, trademark, logo, service mark or design ("Woot Identification"), Vendor will apply this marking or labeling only on the quantity and in the manner specified. If Woot directs Vendor to mark Proprietary Products with Woot Identification, Woot grants Vendor a non-exclusive, non-transferable, royalty-free, non-assignable and revocable right and license during the term of the Agreement to reproduce and display, without alteration of any kind, the Woot Identification solely on the Proprietary Products and solely as directed by Woot. Vendor will comply with any trademark guidelines made available by Woot (as may be updated from time to time), including any

trademark guidelines or updates that Woot posts online. Vendor may not transfer, assign or sublicense these rights or otherwise permit any other party (including a party affiliated with Vendor) to use the Woot Identification. Vendor will not market, sell or dispose of Proprietary Products that include Woot Identification (or Proprietary Product components that include Woot Identification) to anyone other than Woot. If Woot does not accept delivery of Proprietary Products, Vendor will not dispose of these Proprietary Products without removing labels, or markings and destroying Woot Identification.

7. All Proprietary Products will meet all import and industry certification requirements, and all package shipping labels will indicate where and when such Proprietary Products were manufactured. All shipments originating outside the U.S. will be shipped Free on Board ("FOB") or Free Carrier ("FCA") origin, and all references to delivery terms in this Schedule will be references to Incoterms revision 2000 issued by the International Chamber of Commerce. In Woot's discretion, Vendor will clear the Proprietary Products for export either at the port of departure or at Vendor's factory. Title and risk of loss for shipments originating outside the U.S. will pass to Woot after Vendor has cleared the Proprietary Products for export. If Woot returns any Proprietary Products under Section 4 of the Agreement, Vendor will pick up these Proprietary Products at Woot's facility and will ship such Proprietary Products FOB or FCA origin. If Woot specifies dates on the PO for Woot's receipt of the applicable Proprietary Products ("Ship Window"), then, in addition to Woot's other remedies, for each calendar day that Vendor misses the Ship Window Vendor will pay Woot liquidated damages in the amount of 1% of the amount of the PO, up to a maximum of 25% of the amount of the PO (as a reasonable prospective estimate of losses Woot would incur).
8. If there is a conflict between the terms of this Schedule 3 and the terms of the Agreement, the terms of this Schedule 3 will control.

SCHEDULE 4 CONSIGNMENT

1. If the parties agree that Vendor will provide Products for consignment to Woot, Vendor will comply with this Schedule; otherwise, this Schedule will not apply. Woot may request consignment Products with a PO. Unless otherwise agreed by the parties, the price on the consignment PO will be the price charged by Vendor and paid by Woot following Woot's purchase, if any, of the consignment Products from Vendor and Woot's sale of consignment Products to its customers. All terms of the Agreement apply to consignment Products, except to the extent otherwise provided in this Schedule.
2. Title to each unit of Product transfers to Woot at the time Woot purchases it from Vendor. Woot will pay Vendor the amount properly payable at the end of each month for consignment Products sold in the previous month. Risk of loss for consignment Products will transfer to Woot only after Woot accepts the Products.
3. Woot will store accepted consignment Products until (a) Woot purchases such consignment Product from Vendor, (b) Woot returns the consignment Product, or (c) the Agreement is terminated for any reason. Woot may store consignment Products in any facility it chooses. If there is loss of or damage to any consignment Product while stored by Woot, Woot's liability is limited to the price that Woot agreed to pay Vendor for the consignment Product in Section 1 of this Schedule.
4. Vendor will pay all personal property taxes assessed on consignment Products, including taxes assessed during the period Woot holds the Products. Vendor has no security interest, lien or other claim in or to the proceeds that Woot receives from Woot's sale of consignment Products.

If a Woot customer returns consignment Product, Woot may retain title to such returned Product or return such Product to Vendor. All Products ordered on a consignment basis will constitute true consignments of the consignment Products and not the purchase and sale of merchandise by Woot.