

STERLING SUPPLY COMPANY, INC. (STERLING) D/B/A STERLING, INC. AND DESIGNERS STUDIO
DOMESTIC TERMS AND CONDITIONS

CORPORATE CONTACT INFORMATION: 1535 Baltimore Ave., Kansas City, MO 64108, P 800-233-7052, P 816-472-0999, F 816-472-7127; Atlanta Merchandise Mart, 240 Peachtree Street N.W. #16B7, Atlanta, GA 30303, P 404-525-2426, F 404-525-2890; Website address: www.sterling-inc.com

PRICES: All prices are wholesale, F.O.B. our warehouse and are subject to change.

ORDER AMOUNTS: Initial opening minimum order as determined per calendar year for domestic shipments is \$300 prior to August 1 or \$500 after prepaid with a check or credit card, \$2,000 for Net 30 days, \$3,500 for Net December 10. **All payment terms are subject to credit review and approval.** Items must be ordered in master pack quantities; otherwise, order will be increased to conform to standard case pack. Each reorder following the initial order for that calendar year must be at least \$200. All credit card orders must have a [Sterling Credit Card Authorization Form](#) filled out each calendar year before these orders will be accepted. All credit card orders must ship to the credit card holder's billing address unless an imprint or a [Cardholder Letter of Acceptance](#) is signed by the cardholder.

CUSTOMER SERVICE CONTACT INFORMATION: Mail to Customer Service, 1535 Baltimore Ave., Kansas City, MO 64108, fax to 816-472-7127, or call 1-800-233-7052 or 816-472-0999 extension 5500.

CREDIT REVIEW AND APPROVAL: All accounts must complete and sign a Sterling [Credit Application](#) and/or a Sterling [Credit Card Authorization form](#) before any orders will be accepted or any merchandise allocated. A new [Credit Application](#) must be completed and signed at least every two years. We require five current credit references from merchandise suppliers. We make our credit decisions based on the review of the [Credit Application](#), past account history and information from credit bureaus. If a customer is not approved for the payment terms they qualify for based on the purchase volume, then the Credit team will contact the customer regarding other alternatives, which may include a payment in advance.

FORMS: Any required forms such as a Sterling [Credit Application](#) or [Credit Card Authorization Form](#) are available on our website, www.sterling-inc.com, or may be requested from our Customer Service or Credit team.

TERMS: Past-due invoices are subject to interest charges at the highest rate applicable by law on the unpaid balance, which is currently 1½% per month. All Sterling invoices must be paid in full with no deductions made by the customer. Any adjustments or credit requests must be submitted separately. To secure payment of all sums owed by customer to Sterling for merchandise sold to customer, Sterling shall retain a purchase money security interest in the merchandise delivered. The contract represented by the order and acceptance of delivery of such merchandise pursuant to the terms and conditions described above shall be deemed a Security Agreement under the Uniform Commercial Code. By placing an order for Sterling merchandise, customer authorizes Sterling to execute, and file on buyer's behalf, all documents deemed necessary to perfect such security interest. Title to all merchandise delivered by Sterling shall remain with Sterling until payment is received in full. Any shipments made outside of the United States of America require a 50% non-refundable deposit before the order is accepted. The remaining balance must be received prior to shipment. Please refer to our International Terms and Conditions for orders shipping outside of the United States of America. All orders must include a request date, which represents the earliest ship date from our warehouse and a cancellation date. Sterling reserves the right to determine the cancellation date if one is not specified.

CANCELLATIONS: Cancellation of orders or backorders must be received by the Customer Service team in writing 30 days prior to the next scheduled ship date. Acceptance of the cancellation will be acknowledged in writing. Please retain a copy of this acknowledgement as documentation authorizing the cancellation. The customer will be responsible for any freight charges and the 20% restocking fee for any shipments made within 10 business days of receiving cancellation notice.

SHIPMENTS: Sterling attempts to make shipments as complete as possible. Items not in stock at time of shipment will be backordered unless otherwise specified. Backorders will be shipped up until the end of the shipping window. The normal shipping season begins July 1. Sterling ships and verifies case counts with UPS and truck lines. Truck line drivers sign for number of cases when merchandise is loaded. The skid count may also be noted on the bill of lading or delivery ticket. **The case count is the only one that Sterling will accept.** Our customers are responsible for verifying and signing for cases when the product is delivered. Any case shortage or damage must be noted on the delivery receipt and reported to our Customer Service team within one business day of delivery.

FREIGHT CHARGES: Additional freight charges may be assessed for accessorial charges such as inside delivery, residential delivery, lift gate, wait time, storage etc. All freight billed by Sterling or its agents on a collect or prepaid and add basis are due in net 10 days. As a courtesy to our customers, all UPS or other parcel carrier freight charges will be included on the merchandise invoice and will be due at the same time.

RETURNS: No returns will be accepted without prior written authorization issued by the Customer Service team. All requests for returns must be made in writing to the Customer Service team within 30 days of invoice date. A Return Authorization (RA) number will be issued. Defective merchandise must be reported prior to February 28 following the selling season. Authorized returns must be shipped back to Sterling within 30 days of the authorization date and the RA number must be included on the packing list sent with the returned cartons.

UNAUTHORIZED RETURNS AND SHIPMENTS REFUSED BY A CUSTOMER SHALL RESULT IN A RESTOCKING FEE OF 20% OF THE MERCHANDISE AMOUNT PLUS FREIGHT. A REFUSED SHIPMENT WILL REQUIRE THAT ALL FUTURE ORDERS BE PAID IN ADVANCE.

CONDITION OF RETURNED MERCHANDISE: All merchandise returned to Sterling, other than defectives, must be in such condition that Sterling deems appropriate for the merchandise to be received back into regular stock. Any merchandise not returned to Sterling in such condition including non-Sterling labels, markings or damaged packaging may result in an additional re-work fee of 15% of the merchandise amount. Sterling may deny any credit for returned merchandise deemed unsaleable.

All orders for Sterling merchandise are subject to acceptance by the corporate office of Sterling in Kansas City, Missouri. Once accepted, all orders are subject exclusively to the terms and conditions explained above. Any variance from these terms and conditions may only be made in writing and must be signed by a Sterling Sales Manager. No other authorization or approval shall be binding against Sterling. These terms and conditions are the only ones under which Sterling shall sell its merchandise. Any customer purchase order which purports to vary any of these terms and conditions shall not be valid, and by acceptance of delivery of Sterling merchandise, customer waives all terms and conditions contained in its purchase order or other documents which are different from, or in addition to, those described above. All orders are considered accepted by Sterling only upon the terms and conditions described above. These Terms and Conditions constitute the entire agreement between Sterling and its customer relating to the sale of merchandise and other than any previous written or verbal agreements.

I hereby agree to the above terms and conditions of sale. Company Name: _____ Name: _____

Authorized Signature: _____ Title: _____ Date: _____