

Standard Operating Procedures Home Delivery Client and Wide Range Transportation Group

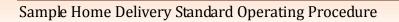




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1 Introduction

This document **Standard Operational Procedures** (SOP) is an appendix to the **"Customer Delivery Service Agreement"** and applies to all transport services under the **"Customer Delivery Service Agreement"**. The document describes the standard operational procedures and requirements for performing the requested services.

Any exceptions to the procedures are found in the "*Customer Delivery Service Agreement*" or other specified appendices. Chapter 2 in this SOP is not applicable for Central Customer Deliveries, chapter 3-5 is not applicable for Local Customer Deliveries, and chapter 6-10 is applicable for both Central Customer Deliveries.

Local Customer Delivery

Local Customer Delivery is the service provided when a Customer makes a purchase at the store and chooses to have the products purchased that day delivered to their home. The service offer should be provided by the service provider all days when the Stores are open.

2.1 LCD Delivery Models

2.1.1 Same Day delivery from store front

This requires the TSP to pick up merchandise that is purchased by a customer at the store that day. The TSP organizes the routes and then delivers to the customer the same day as the purchase directly from the store front.

- Oustomer makes a purchase at the store
- ③ Delivery time (4 hour delivery window i.e. 5pm-9pm) is confirmed with the customer
- Same Day Delivery service must be available 7 days a week
- There is to be an agreed cut off time for same day deliveries
- Set between the store and TSP
- Order information is sent to the TSP at the agreed cut off time via Electronic Data Interchange (EDI)

2.1.2 Next Day delivery from store front

Customer makes a purchase at the store and arranges with the store to have the goods delivered the next day.

Delivery date and choice of one of three, 4 hour delivery window time frames (i.e. 9am-1pm, 1pm-5pm, 5pm-9pm) is set at the store with the customer for deliveries in the zones determined between client and TSP (80% of historical orders need to be covered with this service)

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Next Day Delivery service must be available 7 days a week and offered with three, 4 hour delivery windows.

Order information is sent to the TSP via Electronic Data Interchange (EDI): Files may be sent one or more times a day.

Cut-off time is always after store closing to enable "Buy it today, get it tomorrow" for deliveries within the Next Day zones .

2.1.3 Future and/or Remote Deliveries

Future Orders that are serviced within the Next Day zones will be held at the store and shipped from the store for the future day of delivery. Future orders that fall outside of the Next Day zones and Remote deliveries will be transported from the store to the TSP's facility for delivery to the customer

- 1. Customer makes a purchase at the store
- 2. The delivery date (and one of three, 4 hour time window for the Next Day zones) for future delivery date orders is set at the store.
- 3. The delivery date for remote orders may or may not be set depending on TSP schedule.
- 4. Delivery service must be available 6 days a week at minimum
- 5. Order information and delivery orders will be received by the TSP via Electronic Data Interchange (EDI) the day of purchase
- Palletizing of any goods to be stored at the TSP's warehouse is to be done by the TSP with materials supplied by the TSP at the time it is picked up for transport from the Store to the TSP hub.

2.1.4 Additional information

Additional information such as actual cut-off times, pick up schedules, etc., as well as changes, additions or deletions will be agreed upon between client and TSP.

2.2 Planning & Transport Booking

All bookings of delivery service takes place after the articles being purchased by the Customer at the transport desk.

2.3 Transport desk

The transport desk is served by client during the opening hours at the Store. Client offers the service agreed between client and the service provider to the Customer, book the arrangement with the Customer, collect payment and take over the responsibility of the articles from the Customer until the articles are received by the TSP at the yellow line. **Page** 5 of 20 **Standard Operational Procedure** North America



The Store offers an area where the booked deliveries are stored and where the deliveries are kept until they are loaded for distribution to Customer or transport to TSP hub.

2.4 Loading at Store

The Service Provider is responsible for the loading procedures and is allowed to co-load the client goods with other goods provided that the other goods do not jeopardise safe and undamaged transportation of the client goods. All equipment (including handling material) needed for loading and securing of goods is the responsibility of the TSP. client co-workers will not assist in loading.

2.4.1 Store Front Delivery Staging and Loading Standards

The Carrier drivers shall report to the client Location per the Store Service Agreement each scheduled delivery day for loading their vehicles. If drivers wish to pre-load the night before, approval must be obtained from the Logistics Manager.

Only delivery drivers, assistants, the on-site Carrier representative or Account Manager are allowed to be on the premises unless prior approval has been given by a Customer Delivery Manager or a CDC Manager for others to be present.

Drivers are to enter the employee entrance and sign in before accessing client property to load their delivery vehicle.

During the loading process, the delivery crew is responsible for securing and protecting the products to avoid in-transit damages.

The delivery crew shall be solely responsible for and perform the loading of the delivery vehicles. An client Store supervisor or co-worker will oversee the loading process.

- The delivery crew is responsible to verify each order they are receiving during the loading process for:
- Correct order number
- Correct articles
- Correct quantity
- Visible damages

The client Store Customer Delivery Manager must be notified immediately of any discrepancies or damages discovered by

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the Carrier employees while loading the delivery trucks. client will investigate and correct the situation prior to the delivery crew leaving the client Store, Local Service Center or CDC. It is up to the discretion of the client delivery coordinator or supervisor to replace or not replace an item reported as damaged by the driver. If a damaged article is not replaced following notification of client delivery coordinator or supervisor, liability is transferred to client.

Once the driver has verified all orders and loaded them onto the delivery truck, the TSP is responsible for any missing items and damages that occur after the loading of the truck This will apply to orders that are not shrink wrapped. In cases where the order is shrink wrapped, Carrier will only be responsible for any missing items at the order level.

The yellow line is once the driver has loaded the order for delivery to the customer

No carts are ever to leave the client store.

2.4.2 STAGING AND LOADING - LCD Orders to go to TSP's Facility

Carrier will provide a store shuttle sweep per the Store Service Agreement as volume warrants.

Orders must be prepared by the TSP for the shuttle truck so as to ensure the products are not damaged in transit the Carriers facility, using their own handling material.

No carts are ever to leave the client store.

The Carrier is responsible to verify they receive the orders on the manifest and that there are no visible damages present

client must be notified immediately if there are any missing orders or visible damages before they are loaded on the truck.

A manifest listing all orders that are being transferred to the Carriers facility is to be signed by both client and the Carriers agent before leaving client. A copy of the signed manifest is retained by both client and the Carrier.

The yellow line is when the TSP loads the order on the shuttle truck for transport to their hub.

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2.5 Loading unit quality & equipment

The Service Provider undertakes to check, and takes responsibility, that the loading unit is suitable for the kind/s of transport that will be performed. It must not be damaged, wet, and dirty or in other respects in a condition that could jeopardize a safe transportation and condition of the goods. The Service Provider must make available straps or loading bars suitable for the loading unit type provided in order to minimize the risk for losses and damage during transportation.

Delivery vehicles shall operate with no identifying logo, client or otherwise, and shall be white in color. The delivery vehicles may have the logo of the delivery company, but no other company's name or information may be on the trucks except where required by law.

2.6 Documentation

The client store will provide a delivery order for the driver when the orders are picked up for delivery to the customer or for transport to the TSP hub. This is the form the customer is to sign and then scanned in it's entirety and saved by the TSP. Proof of delivery must be sent to the no later than the day after the delivery was made.

2.7 Delivery to the Customer

Delivery to the customer, is described in Chapter 4. Central Customer Delivery

client or a Service Provider contracted by client transports the goods from a stock location in a central warehouse, i.e. CDC or other central point such as a supplier, on behalf of the Customer to his/her home or to a Pick-up Point.

The Customer orders are placed via client, taking the CDC and transport capacity into consideration. Thereafter the Customer orders are received and handled by the CDC; the order starts during this process, depending on EDI integration, to be visible for the Transport Service Provider (TSP) and Customer. After this process the Customer orders are placed as CDU's at the dispatch area, yellow line, and are ready to be picked up by the TSP or the carrier responsible for loading at the CDC. The goods are thereafter transported to the TSP Hub where its unloaded and reloaded for distribution to Customer, in specific cases there could be agreed direct deliveries from the CDC directly to the Customer defined in the "Customer Delivery Service Agreement". Delivery takes place and delivery documents are signed by Customer, in some cases Customer payments as well are handled, deviations are handled by client Customer Service.

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3.1 Planning & Transport Booking

Shipments will be received on preset dates agreed to with client and the TSP and stated in the CDC Service Agreement.

Shipments need to be received by the Carrier Monday through Saturday and Sunday if needed to accommodate peak periods.

3.2 LoadingSpecifications (LS)

A loading specification is a group of Customer deliveries, planned for one loading unit leaving CDC to TSP Hub, they are created by client before departure from CDC.

Carrier will receive customer order information when the order has been loaded at the CDC for shipment to the Carrier

Once the order information is received, the Carrier may contact the customer and schedule the delivery based on the date the order is scheduled to be received at the Carriers facility

3.3 Customer Areas

The loading specifications are steered by the Customer areas agreed by client and the TSP. A Customer area is a group of zip-codes representing a delivery area for e.g. a distribution unit, and are used when creating the loading specification, when picking the orders and when loading, in order to separate the Customer orders and make distribution as efficient as possible.

3.4 Transport booking trunkline

Client will contract the trunkline to the TSP facilities outside of this agreement.

3.4.1 Changes in Transport booking

Client reserves the right to change the transport booking for trunkline until 14:00 (local time) the week-day prior departure from CDC. The changed transport booking will be re-sent by preferred mean of communication and the original shipment number will be kept. For changes to date and time, no extra expenses to be charged when agreed notice given.

3.4.2 Confirmation of Transport booking

The TSP, or carrier responsible for loading at the CDC, is expected to carry out the transport service as requested in the transport booking. The client transport planner must be notified in the event of hindrances to, or changes in, the performance of the transport services in accordance with the transport booking. Such notification is to be made as soon as possible by telephone and followed **Page** 9 of 20 **Standard Operational Procedure** North America



up by preferred mean of communication. Client reserves the right to refuse changes made by the Service Provider and cancel the transport booking with no additional cost.

EDI/Web bookings are to be confirmed in accordance with the EDI/Web service agreement stated in the Carrier Integration Guide.

3.4.3 Cancellation of Transport Booking

Client reserves the rights to cancel a transport booking for trunkline until 14:00 (local time) the week-day prior to departure from CDC. No cost to be charged when agreed notice given. When insufficient notice is given, the cost of the cancelled shipment must not exceed the cancellation cost stated in the "*Customer Delivery Service Agreement*" and be reported according to chapter *Claims*. The cancelled transport booking will be re-sent by preferred mean of communication.

3.5 CCD Transport Models

3.5.1 Push and Pull

The prices negotiated for this agreement are inclusive or using a push or pull scenario for orders that are not scheduled with a delivery date at the point of sale.

3.5.2 Push

Where all orders are shipped to the TSP hub based on the Client systems latest ship date to reach the customer in the shortest possible time unless they explicitly request a later delivery date.

The TSP will receive the End of Day report when the orders are loaded for shipping and may contact the customers to schedule delivery once they are loaded.

Delivery date and time window will be promised to the customer per the agreed time lines for the zip code area it belongs to.

3.5.3 Pull

Where the day after the order is paid for by the customer, a Daily Order Report is sent to the TSP to schedule delivery with the customer.

The TSP will send the loading specification based on orders to be delivered as outlined in the CDC Service Agreement.

Orders will be shipped based on delivery date to the customer. To ensure full trucks some orders may be "pulled forward" from the next delivery day and a result there could be some orders the TSP must store for 24-48 hours.

TSP must continuously work with the CDC to ensure maximum fill rates in the pull scenario Page 10 of 20 Standard Operational Procedure North America



3.6 Loading at CDC

All loading of trunkline to the TSP will be done by Client.

3.6.1 Loading unit quality & equipment

Client will transport orders to the TSP hub(s) in 53' logistic track trailers or 53' dry vans. The equipment used will be based on the type of handling material used for the loads.

Client may elect to "co-load" Customer Delivery orders on to linehaul trucks destine for an client store. In this case, the store will off load their merchandise and load the customer delivery orders back onto the trailer for transit to the LSC hub.

3.6.2 Loading unit check

Whenever loading units arrives for loading, or/and unloading, client will ensure that the sender/receiver carries out a loading unit check.

3.6.3 Live loading

When a driver asks for the right of access to the ramp areas in order to personally witness the loading, this shall not be denied. In such a case the person concerned must be made aware that access is only permitted for said purpose. The driver must observe the local security and safety regulations.

3.6.4 Non live loading

All Non live loading will be done by client

3.6.5 Sealing

It is the responsibility of CDC to seal loading units according to clients routines on sealing full loads. The TSP, or carrier responsible for loading at CDC, has the responsibility to ensure the seal number is recorded on the waybill at place of receipt when a seal is present.

3.7 Documentation

After loading, client will produce a waybill and specifications regarding the loading. The documentation should follow the transport and be used during unloading at receiver. Page 11 of 20 Standard Operational Procedure North America



3.8 Import and Export

3.8.1 Export clearance & Border crossings

Export clearance is handled by client, TSP is responsible to follow general rules.

3.8.2 Import clearance

Import clearance is handled by client, TSP is responsible to follow general rules.

3.9 Unloading at Transport Service Provider

3.9.1 Unsealing

The seal shall be verified and broken by the receiver of the goods, if authorities during transport break the seal, the TSP, or carrier responsible for loading at CDC, is obliged to secure that there is a new seal put on the loading unit, state the new seal number on the waybill and give evidence thereof.

Client reserves the right to refuse an unsealed loading unit that was sealed by the sender. The TSP, or carrier responsible for loading at CDC, takes any costs incurred thereof unless evidence from the governing authorities is available and the new seal is validated and intact.

3.9.2 Live unloading

When a driver asks for the right of access to the ramp areas in order to personally witness the unloading, this shall not be denied. In such a case the person concerned must be made aware that access is only permitted for said purpose. The driver must observe the local security and safety regulations. Free time for unloading is two hours, in the event of receiver failing to unload within the agreed free time then this should be reported according to chapter "Waiting time at CDC or TSP".

3.9.3 Non Live Unloading

Whenever loading units arrives for unloading the driver must ensure that the receiver carries out a loading unit check. Damages must be stated on the loading unit checklist, "*Equipment Checklist*", and countersigned by the driver. In the event of receiver refusing to check the equipment, this must be stated on the waybill. The loaded loading unit is thereafter handed over to the receiver to be unloaded at a later date/time without the driver present.

When collecting unloaded equipment, the driver must carry out an equipment check. Damages must be stated on the "*Equipment Checklist*", and countersigned by the sender.

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3.9.4 Receiving the Orders

The receiver is during unloading responsible to check the load against received documentation and received transactions, any discrepancies should immediately be reported to CDT Operations at the CDC which sent the shipment..

Shipments will consist of single customer orders on a pallet or pallets and multiple customer orders on a pallet. Pallets with more than one customer order on them must be deconsolidated and separated into individual customer orders for delivery or pick-up by the carrier.

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The Carrier is responsible to verify each piece if it is a multiple customer pallet they are receiving during the loading process for:

- 1. Correct article number
- 2. Correct quantity
- 3. Visible damages
- 4. If the order is a large palletized order that is shrink wrapped, at unloading the TSP is only required to check for visible damages during the receiving process.

3.9.5 Preparing for delivery

The TSP undertakes to deliver the Customer orders in accordance with the agreement between the Customer and client, the Customer orders are transferred to the TSP via email latest after being loaded at the CDC. Client will send a delivery note with the shipment. The TSP may elect to print their own delivery note/waybill to use, providing the format has been approved by client in writing prior to implementing its use. Both the waybill and/or the delivery note should be in at least two copies in order to secure that the Customer gets a copy when delivery take place.

Delivery to the Customer (LCD and CCD)

Client is informed that the delivery has been completed once the completion information has been sent to the store via the "Daily Report".. The information is vital as it is used when verifying the invoicing between the TSP and Client.

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The TSP is required to scan the invoice into their system within 24 hours of the delivery and provide client with that file.

4.1 Pre-call to customer

The driver is required to contact the customer 30 to 60 minutes prior to anticipated arrival at the customers place.

4.2 Unloading at Customer Location

When delivering a Customer delivery to Customer, the Customer receives the delivery on order level. However, the delivery crew must wait for the customer to verify their order at the customer's request. The Customer, or someone acting on behalf of the Customer, must present photo identification to verify their identity, without proper documentation the order should not be released to the Customer.

4.3 Service Types

The driver is to perform the service type indicated in Appendix 1 Section 8.2.1 of this agreement for Basic In Door delivery.

4.4 Extra service

Extra services are defined in, and limited by, the "Customer Delivery Service Agreement". An extra service is only possible to order when the delivery is booked and should be stated on the delivery note for the Customer delivery.

4.5 Merged Orders

The customer may request a "Merged" order. This most often is when they order part of their merchandise via CCD and part of it via LCD. It can also be the case where there is the need to merge one or more LCD orders or one or more CCD orders.

4.6 Pick-up Point

Pick-up Point is a location where the Customer can go to pick-up his/her goods. The Customer must present documentation, such as an order confirmation or a postal notification, which identifies the order they have come to pick up. The Customer must also present photo identification to verify their identity, without proper documentation the order should not be released to the Customer. The Customer must sign the delivery note and any deviations are handled by Client Customer Service. Page 14 of 20 Standard Operational Procedure North America



 Carrier's facility will be open for customers to pick up their orders on the following days as defined by Client and the TSP.

o Client and Carrier based on mutual agreement may change extended hours and/or Sunday for Customer Pick-Up if volume for pick-ups during these time frames is low.

Customer must be contacted when order in transit or within 24 hours of receiving the order.

If there is a damage or discrepancy discovered upon receipt at the Carrier's facility it must be noted on the Load Quality Report and the client Store must be contacted for instructions on how to proceed with the order.

The Carriers facility must meet all local and governmental standards for a business that is open to the public eg. Local fire health and safety codes, compliant with Americans with Disability Act, business licensing, etc.

The Carrier may not use the client logo or registered trademark anywhere in or on their premises, website or internal and/or promotional/marketing material.

The reception area at the Carriers facility must be a clean and inviting and all co-workers must have a clean, neat and professional appearance. ID badges with the co-workers name clearly visible must be worn.

If the reception area is not manned during all pick up hours some type of notification device that lets the Carrier know a customer is waiting must be in place.

Customers must have safe access to a clean and fully supplied restroom.

The area where the customer picks up their merchandise must be a safe and secure environment.

Carrier shall provide assistance to the customer in loading their merchandise, but are not required to assist in securing goods in or on the vehicle. Carrier must post signage in customer-pick area advising Customers of this.

The customer must present their receipt and state or government photo ID to pick up their order. If they do not have the receipt and/or state or government photo ID the order must not be released and the local client store contacted immediately. The Carrier must print the customers name from their state or government ID on the delivery agreement to be signed by the customer and retained by the Carrier and/or client.

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Carrier must verify and inspect all articles for visible damage with the customer during the customer pickup.

Customer must sign delivery order upon receipt of goods.

Damages and discrepancies must be noted on the delivery order and reported to the store immediately.

If the customer notifies the Carrier that they are cancelling an order, the provider must immediately notify the store and arrange to return the order to the store.

If a customer requests the goods be held for more than 7 days from the Carriers' receipt of the order, the client Location must be notified.

If the customer is picking up an appliance they may bring back their old appliance for recycling. This must be pre-arranged and pad for at the store. The Carrier may not take payment from a customer unless approved by the client store and arrangements made to forward the payment to the client store.

Client shall not be responsible for any damage done to the product or Carrier's property by an client customer.

The Carrier is responsible for any damage to vehicles, property or injury incurred by anyone during the course of a pick-up. Where such loss, damage, or injury is proximately caused by acts or omissions of the Carrier, its agents or employees and arises out of or is in connection with the Carriers's discharge of duties and responsibilities under the Agreement. Any damage, accident or injury that occurs during the transportation of products that are picked up by the customer at the Carriers facility is to be settled between the Carrier and any and all involved parties. This indemnity shall apply for losses caused solely or in part by the negligence of the Shipper, but shall be assessed as to comparative negligence and cost shared accordingly.

4.7 Additional service

No additional services such as assembly, installation, measurement service, etc. are covered under this agreement.

4.8 Customer payments

Under no circumstance is the driver to take payment from a Customer without authorization from the client location and/or not report and/or turn over payment to client for any additional charges.

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4.9 Big orders

Refer to Appendix 1 Section 8.2.2. client Customer Service will carefully investigate the preconditions for the delivery to Customer and communicate this to TSP. . TSP is responsible for confirming the request urgently, including price, to client who plans and monitors the delivery

Delivery Deviations (LCD and CCD)

5.1 Before delivering to Customer

To prevent delays and unhappy customers whenever there are discrepancies found after the yellow line but before delivery to Customer, it should be reported urgently by telephone, to the client store. The client store will advise the TSP of the next steps. Based on the deviation type and availability of the item, the client store will advise the TSP as to the disposition of the item if applicable and contact the customer if necessary to reschedule or inform them of the deviation and resolution of remaining items.

5.2 Waiting time at client Location

There may be the occasions when a delivery team may be delayed at an client store due to unforeseen circumstances. We ask that the drivers wait when necessary to ensure all orders are delivered. If this happens too often, it is the responsibility to document the additional time it is taking the driving team. This documentation must be presented at the monthly meeting and should be sent to the CDT Business Developer working with the TSP and Store location for resolution.

5.3 Waiting time at Customer

If the delivery team is delayed when performing a delivery the TSP should immediately contact the client store. The client store can, after agreeing with the Customer, in these cases order extra waiting time if this fits into the plan for the driver. The driver should note the waiting time on the waybill and get a signature from the Customer as verification.

5.4 Unsuccessful delivery

Whenever TSP cannot deliver the Customer orders in accordance with the agreement between the Customer and client, TSP should immediately contact the client Store and the Customer.

5.4.1Customer is not at home

The TSP will immediately take steps to attempt to reach the customer at all known numbers. If unable to contact customer the driver must contact the client store and alert client that a customer is not at home and cannot be reached. The delivery crew is required to allow client Customer Service to solve the problem within 15 minutes. After waiting for 15 minutes if the delivery crew has not heard back from Page 17 of 20 Standard Operational Procedure North America



client, they must contact client and let them know they will be leaving the delivery location. The TSP should leave a notice, and write the description of the delivery location before leaving the Customer. If the incident happens outside the working hours of the client store, no phone call to client can take place but the incident should be reported to client Customer Service who returns latest next working day with instructions. In all cases the driver is required to wait 15 minutes for a customer who is not at home.

5.4.2 In-route cancellation or complete refusal

If the customer contacts an client store and wants to cancel their delivery client will notify the TSP immediately. In the case where the customer refuses the entire order upon delivery the TSP is notify client immediately. client will instruct the TSP to reschedule, store or return the order.

5.4.3 Partial refusal

If during unloading at the customer's home a damaged or wrong item is discovered, the customer has the right to refuse specific items on their order. The TSP must immediately inform client. Client will contact the customer to arrange for another delivery or refund. Any new items delivered to the customer will be handled as a new delivery order sent to the TSP.

5.5 Property Damage during delivery to Customer

Before delivery, the Customer is obligated to make sure that TSP is able to deliver the goods in a safe way without damages in the home. If damages occur, the TSP has the liability for payment. In these cases, client asks TSP to contact the Customer to solve the situation. TSP must have insurance which cover these types of incidents.

Returns

Returns should be treated in the same careful way as the Customer deliveries, and are all ordered by client Customer Service. client Customer Service is creating return orders according to specifications agreed to by client and the TSP which is sent by preferred mean of communication to the TSP. There are two kinds of returns;

External returns, where a Customer delivery has taken place and where the return order is to be collected from the Customer's premises.

Internal returns, where a Customer delivery not has taken place and where the return order is at the TSP Hub.

6.1 External returns

For external returns the TSP is responsible for creating waybills for external returns, having at least two copies of the return order attached. One of the copies of the return order should be handed over to the Customer during the collection at the Customer's premises, one to be attached to the waybill when **Page** 18 of 20 **Standard Operational Procedure** North America



delivering to the return destination. There are two different kinds of external returns; *Pick up*, where a complete or part of a Customer delivery is picked up at the Customers premises. *Exchange*, where fully or party a Customer delivery is picked up at the Customer premises and where a new Customer delivery takes place at the same time.

When collecting the return order at the Customer's premises the service includes;

a pre-notification to Customer via telephone before collection plans to take place,

collecting the return at the Customers premises,

a collection where the Customer is not allowed to carry anything from return, two persons to collecting the return if necessary,

the driver is responsible for checking that all packages have been collected before signing the return documents and handed over one copy of the return order to the Customer.

Driver is responsible for affixing return label documentation to the order (LCD orders)

When collecting at Customer's premises, the Customer is not allowed to refuse the external return partly or adding packages/articles. If disagreements the client Store is to be contacted urgently in order to avoid any disagreements between the Customer and the TSP.

6.2 Internal returns

For internal returns, the TSP is responsible for creating one waybill for the deliveries to the return destination, having at least two copies of each return order attached. If any discrepancies are found when delivering to return destination, this should be noted on the waybill and specified one the return order and signed by the driver and the return destination, the driver and the return destination gets one copy each. The delivery to the return destination could contain both internal returns and external returns.

Handling Materials

client uses Handling Material (HM) in order to protect our goods during the delivery to Customer. The goods are picked and placed on carts at Store for LCD and handling material at the CDC for CCD. The Handling Material used for LCD and CCD orders must, be returned according to *the agreement between client and the TSP.*

IT and Invoicing

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8.1 IT

As agreed in "Customer Delivery Service Agreement" Inventory & Performance Follow ups

9.1 Inventory

The TSP should perform an inventory at the Hubs according to the process agreed between client and the TSP and report all discrepancies to client Customer Service.

client reserves the right to perform unannounced audits at TSP Hubs and to have access to the Customer Deliveries stored at TSP Hubs as well as the area used for storing the Customer Deliveries.

client is not responsible for any storage charges if an inventory aging report is not sent to the store on a weekly basis.