



# TERMS & CONDITIONS

## FULFILLMENT AGREEMENT

Dear Customer:

We sincerely appreciate the opportunity to provide your Fulfillment needs and ask that you carefully read the following terms and conditions required by Vitakem Nutraceutical Inc., here in after referred to as "Fulfillment Company".

### Conditions and Fulfillment Services

All Products to be fulfilled by Fulfillment Company must be paid for in full by the Customer.

- Receive shipments from the owner of the product into the warehouse.
- Provide storage for the inventory.
- Pick and Pack the products available from inventory and ship products directly to the consumer (End User).
- Provide the packaging material appropriate for the shipment at our discretion.
- Provide the Customer with access to our 3PL software provider.

### Methods of Shipping

- Orders will be shipped by UPS or USPS as specified by Customer. Other shipping accommodations can be specifically arranged based on need.

### Insurance for Shipments

- The Customer is aware that shipments by UPS are automatically insured for \$100 per box and that any additional insurance must be requested and paid for by the Customer.
- The Customer is aware that shipments by USPS are not automatically insured for any amount and that insurance must be requested and paid for by the Customer.

### Lost or Damaged Shipments

- Fulfillment Company agrees to ship by method and to the address(s) specified by the Customer. Fulfillment Company agrees to be responsible for any loss or damage resulting its failure to follow these specifications. The Customer must specify in writing the method of shipping for each order.
- While Fulfillment Company will assist the Customer in tracing and filing claims for any lost or damaged orders through no fault of Fulfillment Company, the Customer agrees to accept responsibility for any loss or damage resulting from an error on behalf of the Customer or the failure of UPS or USPS to properly deliver the order.

### Undeliverable, Refused or Returned Shipments

- The Customer is responsible for all undeliverable, refused or return shipments.



### **Fulfillment Fee Deposit and Billing**

- A standing deposit must be made to the customer's account based on the projected weekly billing amounts. Fulfillment Company reserves the right to increase the deposit based on billing activity.
- Billing for Fulfillment charges will be performed weekly and will be automatically charged to the credit card on file.
- If nonpayment of weekly services occurs, Vitakem reserves the right to immediately suspend Fulfillment services until payment has been received.

### **Customer Inventory**

- Customer acknowledges that inventory purchased by the Customer and received into the fulfillment warehouse will remain the property of the Customer until delivered to the end user.
- Customer is responsible for maintaining any insurance coverage on their inventory held by Fulfillment Company by adding a storage location to their own policy.
- Fulfillment Company will receive inventory into their 3pl system based on receiving documentation from the shipping carrier. Any count discrepancies will be noted and customer will be notified.
- Customer will indemnify, defend and hold harmless Fulfillment Company and its officers, employees, contractors, and agents from and against any and all Losses from Third Party Claims involving any of Customer's inventory that was not a product produced by Vitakem, Inc. or purchased directly from Vitakem.

### **Termination of Services**

- The Customer or Fulfillment Company may terminate the Fulfillment service at any time.
- The Customer agrees to pay for any outstanding Fulfillment fees owed to Fulfillment Company.
- The Customer's Fulfillment deposit will be refunded immediately upon termination of the Fulfillment services provided there are no outstanding fees owed by the Customer. In the event that outstanding fees exist, the Customer agrees that the remaining deposit may be applied to these fees and that any amount in excess of the deposit will be paid immediately.
- Upon termination of the Fulfillment services by either party, all remaining inventory belonging to the Customer will be made available to the Customer provided that all of the other conditions of this agreement have been met.
- Standard terms for shipping charges apply.

### **Fulfillment Pricing and Terms**

- Please see Standard Fulfillment pricing schedule attached
- Pricing is subject to change with a 30-day notice
- Fulfillment terms are subject to change with a 30-day notice



If you have read, understand and agree to the terms and conditions as stated within the agreement, please complete and sign.

## CUSTOMER INFORMATION:

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Email: \_\_\_\_\_

Customer Printed Name, Title: \_\_\_\_\_

X \_\_\_\_\_  
Customer Signature Date

Initial Deposit Amount: \$ \_\_\_\_\_

## FULFILLMENT COMPANY INFORMATION:

Company Name: Vitakem Fulfillment \_\_\_\_\_

Contact Name: \_\_\_\_\_ Email: \_\_\_\_\_

Customer Printed Name, Title: \_\_\_\_\_

X \_\_\_\_\_  
Signature Date

811 W. Jericho Turnpike Smithtown, NY 11787 Phone: 800-233-2112| Fax: 800-578-611

## STANDARD FULFILLMENT FEES SCHEDULE

Service	Description	Cost
<b>Order Fee Per Package</b> Direct to Consumer	1-499 packages shipped per month  For accounts shipping greater than 500 packages please contact us for additional pricing discounts	\$2.00 Per Package
<b>Pick and Pack Fee</b> Direct to Consumer	1-499 packages shipped per month under 1 lb.	\$0.65 per unit
	Pick and Pack fee for item over 1 Lb.	\$1.25 per unit
<b>Packaging Materials</b>	Standard Mailers, stock boxes and void fills	Included in pick and pack fee
<b>Storage Fees</b>	Standard Pallet 40x48x55 (1 SKU) Standard Pallet (multiple SKUs) Shelf Space – Half Rack 16x24x38 approx. Shelf Space – Full Rack 16x48x38 approx A minimum of \$10.00 will be billed for any applicable stored inventory	\$35.00 Monthly \$40.00 Monthly \$20.00 Monthly \$30.00 Monthly
<b>Receiving of Product</b>	Products supplied to Customer by Vitakem  Outside Products shipped to warehouse	No charge incoming  \$25/Pallet received
<b>Outgoing Product</b>	Outgoing Pallet Master Case (FBA)	\$20/per pallet \$6.50/ per master case
<b>Shipping Charges</b>	Charges for UPS – USPS – Special Handling	Billed @ standard rates
<b>Monthly Connection Fee</b>	Online Portal for order management and Inventory management through our shipping software  Support & Maintenance	\$50.00 per store monthly  \$150/Monthly
<b>Disposal Fees</b>	Disposal fees for unwanted or expired products	\$40.00 per half hour minimum charge
<b>Other Services</b>	Others services not mentioned pricing available upon request	

## EXAMPLE OF SAMPLE CHARGES

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### **Example 1:**

Fulfillment Company fulfills 1 order with 3 products weighing less than 1 lb a piece.

- Order charge of \$2.00 plus a pick fee of .65 for each unit shipped in the same order for a total of \$3.95 (\$2.00 plus .65 x 3) for the order plus additional charge for related shipping charges

### **Example 2:**

Fulfillment Company fulfills 1 order with 1 product weighing more than 1 lb.

- Order charge of \$2.00 plus a pick fee of \$1.25 each unit shipped. Total charge for this order would be \$3.25 plus additional charge for related shipping.

### **Example 3:**

Customer has 3 connected stores to our shipping software.

- Fee charged would be \$50 per store times 3 stores or \$150 billed at the end of the month.