

VENDOR COMPLIANCE SUMMARY OF FEES

To maintain operational excellence and ensure compliance with our standards, the following chargeback structure outlines the penalties for non-compliance across several categories. All vendors are expected to adhere strictly to these requirements to avoid these penalties. Please note that repeated infractions may lead to escalating penalties, with a 25% increase applied to the second infraction and a 50% increase applied to the third and subsequent infractions.

1. Packing List Compliance

Failure to comply with packing list standards will result in the following charges:

Code	Reason Code Description	Fee (USD)
PACKING LIST COMPLIANCE		
Q9	Packing List Missing	\$325.00
W3-1	Packing List not attached to lead carton	\$325.00
W3-2	Packing List illegible	\$325.00
W3-3	Packing List with Wrong/Missing Ship Name or Ship To	\$325.00
W3-4	Packing List does not contain PO number	\$325.00
W3-5	Packing List does not contain Carton Count	\$325.00
W3-6	Packing List quantities inaccurate	\$325.00
W3-7	Packing List more than one PO	\$325.00

2. Carton Marking Compliance

Proper carton marking ensures efficient handling and inventory management. Chargebacks are as follows:

Code	Reason Code Description	Fee (USD)
CARTON MARKING COMPLIANCE		
R1-7	Carton Label Missing	\$650.00
Carton(s) MARK INCORRECT:		
R1-1	SKU or UPC barcode	\$650.00
R1-2	PO number	\$650.00
R1-3	Ship To address	\$650.00
R1-4	Ship Name	\$650.00
R1-5	Piece Count	\$650.00
R1-6	Carton Count	\$650.00
Carton MARK MISSING:		
P9-1	SKU or barcode	\$650.00
P9-2	PO number	\$650.00
P9-3	Ship To address	\$650.00
P9-4	Ship Name	\$650.00
P9-5	Piece Count	\$650.00
P9-6	Carton Count	\$650.00
P9-7	Country of Origin	\$650.00
T7	Hazardous Material carton packaging or markings (labels) incorrect	\$650.00

3. Packing Compliance

Packing standards must be met to ensure product safety and ease of processing. Non-compliance will incur the following charges:

Code	Reason Code Description	Fee (USD)
PACKING COMPLIANCE		
X4	More than one SKU per carton	\$650.00
X5	Mixed POs among pallets	\$650.00
X6	More than one PO per carton	\$650.00
X8	Carton(s) over max weight of 55 lbs.	\$650.00
R2	Carton packaging damaged	\$650.00
U6	No indication of GWP or Testers	\$650.00

4. Merchandise Compliance

Merchandise must meet agreed-upon specifications. Chargebacks for non-compliance include:

Code	Reason Code Description	Fee (USD)
MERCHANDISE COMPLIANCE		
Q5	Substitution of SKU	\$650.00
Q7	Damaged Merchandise-not saleable.	\$650.00
Q10	Mdse Exp Date Not w/in Agreement	\$650.00
Q6 519-A	Mdse not ticketed - p/unit charge	\$1.50
Q6 519-B	Mdse not ticketed - p/PO charge	\$90.00
Q8 521-A	Mdse ticketed / UPC incorrect - p/unit	\$1.00
Q8 521-B	Mdse ticketed / UPC incorrect - p/PO	\$90.00
R4 527-A	Kitting - Assembly Required p/unit	\$1.50
R4 527-B	Kitting - Assembly Required p/PO	\$90.00
X9	Return refused (RTV)	\$650.00
R5	Vendor referenced wrong/invalid PO number	\$650.00
U7	Duplicate or Backorder shipment	\$650.00

5. Finance Compliance

Failure to comply with financial and invoice standards may result in the following charges:

Code	Reason Code Description	Fee (USD)
FINANCE COMPLIANCE		
P6	Invoice Pricing not in line with PO pricing	\$260.00

6. Shipping Compliance

Shipping-related non-compliance impacts efficiency and costs. Chargebacks are as follows:

Code	Reason Code Description	Fee (USD)
SHIPPING COMPLIANCE		
R7	Case/Pallet/Unit manifested incorrectly	\$650.00
S4	Split Shipment - (Pre-Paid PO's Only) Fed-Ex UPS	\$650.00
T2	Direct Shipment / Not as agreed	\$650.00
T6	Hazardous Material docs missing or incorrect	\$650.00
W4	Delivery w/out Appointment - (Pre-Paid PO's Only)	\$325.00
W5	Missed Delivery Appointment - (Pre-Paid PO's Only)	\$325.00
W6 606-A	Delivery w/ Non-Treated Wood Mat-p/unit chg.	\$130.00
W6 606-B	Delivery w/ Non-Treated Wood Mat-p/PO chg.	\$650.00
Y3	Container Floor Loaded not in sequence per PO Number	\$1,600.00

7. Routing Compliance

Code	Reason Code Description	Fee (USD)
ROUTING COMPLIANCE		
T1	Routing Guide not followed (provide details)	\$650.00
T4	3rd Party Charges Incurred, backup provided (Storage, Handling, Etc. from 3rd Party)	\$650.00

8. Transportation Compliance

Transportation compliance impacts efficiency & flow of goods into the DC. Chargebacks include:

Code	Reason Code Description	Fee (USD)
TRANSPORTATION COMPLIANCE		
T3	Missing/Late Info or Documentation for Pick-up	\$650.00
W1	Shipped Early	\$325.00
W2	Shipped Late	\$650.00
Q2	PURF/SNF/DSDf not submitted	\$650.00

9. Customs Compliance

Compliance with customs regulations is critical to avoid delays and penalties. Chargebacks include:

Code	Reason Code Description	Fee (USD)
CUSTOMS COMPLIANCE		
R9	Documents Late or Missing (Provide proof) BL/AWB, Invoice, Packing List	\$650.00
R6	Documents Incorrect or Missing Information BL/AWB, Invoice, Packing List	\$650.00
S2	Invoice missing Country of Origin/Manufacture	\$650.00
U8	Invoice missing MID/Manufacture name/address	\$650.00
U1	Late/Missing PGA Documents/Information	\$650.00
R8	ISF Not Filed or Filed Late	\$650.00
Q4	More than one PO per Invoice	\$650.00
U5	Invoice Quantity discrepancy (over/short)	\$650.00
U4	DP items co-mingled with DF merchandise	\$650.00

These compliance chargebacks are implemented to ensure streamlined operations and to mitigate delays or disruptions in our supply chain. We appreciate your cooperation in adhering to these standards. Please refer to our Vendor Compliance Routing Manual for updated guidelines.

If you have any questions or require further clarification on chargebacks received, please contact our Vendor Compliance Department by sending your inquiry to the email listed below. Suppliers have the right to dispute any charges incurred within 45 days from the date chargeback is generated.

Contact Email: starboard.supplier.support@starboardcruise.com

Please allow 72hrs for our Vendor Compliance Department to get back to your request.