



DSW

DSW.com

Additional Drop Ship Terms and Conditions

1. **Modifications.** These Additional Drop Ship Terms and Conditions may be modified by Company at any time. Such modifications will be posted on the Company's website or otherwise provided to Vendor and shall be binding upon the parties from the date they are published on Company's website or otherwise provided to Vendor, whichever comes first.
2. **Term.** The term ("Term") of this Agreement will begin on the Effective Date and continue for the longer of (i) one (1) year or (ii) the date on which all open purchase orders (each, a "Purchase Order") have been fulfilled. Termination of one Purchase Order is not automatically considered a termination of this Agreement or any other Purchase Order unless specifically indicated by Company in writing. At Company's option, this Agreement may be renewed for additional one (1) year periods upon Company's written notice to Vendor of its desire to renew at least thirty (30) calendar days prior to the Term's expiration and upon Vendor's written acceptance. However, if Company fails to provide notice of renewal and both parties continue to conduct business after the expiration of the Term, the Agreement will continue in effect until Company provides thirty (30) days' notice of termination, or an amendment or new agreement is executed. As used throughout this Agreement, "Affiliates" means any entity which, directly or indirectly, controls, or is controlled by, or is under common control with another entity.
3. **Termination.** Company may terminate this Agreement or any Purchase Order without cause upon fifteen (15) days' prior written notice to Vendor. This Agreement will terminate automatically and without liability to Company in the event that (i) Vendor's financial condition is found to be or becomes unsatisfactory to Company, or if Vendor becomes insolvent or makes an assignment for the benefit of creditors, a bankruptcy, reorganization, or like proceeding is instituted by or against Vendor in any jurisdiction, or a receiver or trustee is appointed with respect to Vendor's property, or (ii) Company is required to terminate by applicable law, rule or regulation or to protect its legal or financial rights or reputation. Additionally, if Vendor (i) fails to ship orders within the Required Shipping Window on three (3) or more occasions or (ii) fails to maintain the Expected Fulfillment Rate, Company may, at its option, immediately terminate this Agreement or any Purchase Order upon written notice to Vendor. If Vendor breaches any term of this Agreement, Vendor will have five (5) days from date of notice from Company to cure the breach, provided that if the breach relates to a failure to comply with applicable law, rule or regulation Company may terminate this Agreement or a Purchase Order immediately.
4. **Logistics Guide.** All Merchandise shall be packed for shipment and stored in full compliance with Company's instructions and with the Company's Footwear & Accessories Logistics Guide, as amended from time to time (the "Logistics Guide").
5. **Transfer of Rights, Title and Interest.** Acceptance of a drop ship Purchase Order and receipt by Vendor of payment for such Merchandise will constitute Vendor's transfer of all right, title and interest in the Merchandise. Vendor warrants to Company that Vendor has the full power to transfer all such right, title and interest in the Merchandise. Such rights may only be limited or conditioned by this Agreement.
6. **Price Protection.** Vendor shall ensure that all prices, terms, and warranties included in this Agreement are comparable to, or better than, the equivalent terms being offered by Vendor to any present customer that is comparable to the Company. If, during the term of this Agreement, Vendor enters into agreement(s) that provide more favorable terms to other comparable customer(s), Vendor shall provide the same terms to the Company.



DSW

DSW.com

7. Modification or Cancellation. Company may cancel, revoke, amend, or modify any Purchase Order at any time. UNDER NO CIRCUMSTANCES WILL COMPANY OR ANY OF ITS AFFILIATES BE LIABLE TO VENDOR AS A RESULT OF ANY CANCELLATION PRIOR TO ACCEPTANCE OF THE MERCHANDISE FOR ANY AMOUNTS SET FORTH IN A PURCHASE ORDER OR OTHERWISE. NEITHER COMPANY NOR ANY OF ITS AFFILIATES SHALL BE LIABLE FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, WHETHER BASED UPON THEORIES OF CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF OR RELATING TO SUCH PURCHASE ORDER.
8. Recalls, Reporting of Defects. If Merchandise is the subject of a Recall, Vendor shall be responsible for all matters and costs associated with the Recall, including but not limited to: (i) customer notification and contact; (ii) all expenses and losses incurred by Company in connection with such Recall (and where applicable, any products with which the Recalled Merchandise has been packaged, consolidated or commingled), including but not limited to refunds to customers, lost profits, transportation costs, the cost to Company of its associates' time, systems expenses in processing any Recall, and all other costs associated therewith; and (iii) initial and subsequent contact and reporting of the Recall to any government agency having jurisdiction over the affected Recalled Merchandise. Vendor shall promptly, and in no event later than twenty-four (24) hours after its decision to initiate a Recall or its receipt of a Recall notice from a government entity, inform Company of the Recall. Vendor shall promptly inform Company of it becoming aware of any defect in the Merchandise that could reasonably be expected to cause damage, illness, injury or death to humans, animals, or property, or the noncompliance of the Merchandise with any applicable safety or regulatory standard or law, whether imposed by a government entity or by Company.
9. Vendor's Compliance with Terms. Company has the right to impose chargebacks on Vendor or recover or set-off damages caused to Company against any drop ship Purchase Order, including, but not limited to, in the event of (i) any variation from the terms of this Agreement or any Purchase Order, (ii) shipment of defective Merchandise or breach of any warranties hereunder, (iii) any failure by Vendor to comply with the Additional Terms or the Logistics Guide, or (iv) any failure by Vendor to comply with any other policies communicated to Vendor by Company from time to time, including, but not limited to, the DSW Drop Ship Program Post Launch Quarterly Reminders and the DSW Drop Ship Program Vendor Frequently Asked Questions. Company may communicate policies or procedures, or publish the Additional Terms and Logistics Guide, on a website maintained by Company and upon publication on such website, Vendor will be deemed to have notice of any additions, deletions or modifications thereto. Vendor shall be solely responsible for monitoring any such changes and ensuring Vendor's compliance therewith. Such changes will be effective and binding upon parties (including Company, Vendor, and any affected third parties) from the date they are published on Company's website or otherwise provided to Vendor, whichever comes first
10. Vendor's Representations and Warranties. The warranties stated in this Agreement are in addition to all warranties implied by law and survive termination or cancellation of this Agreement or any Purchase Order. By accepting a drop ship Purchase Order, Vendor represents and warrants to Company that:
 - a. Vendor has full right and title to the Merchandise;
 - b. The Merchandise is (i) free from defects in materials, workmanship, and fabrication, (ii) of the quality, quantity, size, description, color and dimensions specified by Company, (iii) affixed with all required tags, labels and other printed materials, which are true and correct in all respects, (iv) contained in packaging with tags, labels and other printed materials, which are true and correct in all respects, (v) capable of being resold without restriction in the U.S. and no labels attached

- thereto need to be removed prior to any such resale, (vi) tested and certified as to containing the ingredients or materials indicated on the label according to accredited testing and certification bodies approved by Company and may be handled, worn and/or used without causing harm to any person or damage to property, (vii) fit for such particular purpose and uses, if any, specified by Company or otherwise known to Vendor, and (viii) in strict accordance with Company's specifications, designs, descriptions and approved samples or prototypes;
- c. The Merchandise is in compliance with normal retailing standards with respect to colorfastness, wash fastness and light fastness;
 - d. The Merchandise will pass without objection in the trade, are of first quality and conform to the promises or affirmations of fact made by Vendor or its agents;
 - e. The Merchandise is authentic (not counterfeit), is authorized for sale in the United States, and does not and will not infringe on or violate any foreign or domestic patent, trademark, trade name, trade secret, copyright or other similar intellectual property interest of any person, arising out of or relating to the sale or use of such Merchandise;
 - f. The Merchandise is new and unused;
 - g. The Merchandise complies with all applicable foreign, and U.S. federal, state and local laws, ordinances, orders, standards, rules, regulations, including all country of origin requirements established by the U.S. Customs Service;
 - h. Vendor accurately states the country of origin on all Merchandise, that it does not and will not transship, and it will act to stop or prevent illegal transshipment activity;
 - i. Where applicable, Vendor and/or the Merchandise will comply with all relevant and voluntary safety standards, including, but not limited to, ASTM standards, American National Standards Institute Standards, and the standards of Underwriters Laboratories, Inc. ("ULI") and bear the ULI stamp of approval;
 - j. The Merchandise was manufactured in accordance with U.S. and local labor laws and Vendor will not source materials produced using, or otherwise produce Merchandise using, child, forced, indentured or convict labor contrary to local and/or U.S. legal requirements;
 - k. Vendor will not engage in corrupt business practices;
 - l. Vendor shall not sell any Merchandise (including, but not limited to, handbags and footwear) that exceed the following lead limits: (i) paint or other surface coating: 90 parts per million ("ppm"), (ii) leather (including composited leather): 300 ppm, (iii) Polyvinyl chloride ("PVC"): 200 ppm, and (iv) other accessible components including metal, glass or rhinestones: 300 ppm;
 - m. Vendor will comply, at its own expense, with Company's testing requirements as set forth in the Logistics Guide, which may be revised by Company from time to time, and to comply with Company's Fur Policy, and Vendor shall not provide to Company any Merchandise containing animal fur (excluding wool, shearling and skin (e.g., leather, calf-hair leather, lamb hair, sheepskin, and lambskin), and faux fur);
 - n. The Goods are not manufactured, in whole or in part, in Burma (Myanmar);
 - o. Vendor has and will have throughout the Term of this Agreement the full power, authority and legal right to execute and deliver, and to perform fully and in accordance with all of the terms of this Agreement;
 - p. Entering into this Agreement by Vendor does not violate any agreements, rights or obligations existing between Vendor and any other person, entity or corporation;
 - q. As applicable, Vendor shall furnish Company with Material Safety Data Sheets for hazardous materials; and
 - r. Vendor shall be considered the manufacturer of all Merchandise furnished hereunder and, as such, is required to comply with all legal and disclosure obligations which may be required by the SEC pursuant to the Conflict Minerals Rule, Section 1502 of the Dodd Frank Wall Street Reform and

Consumer Protection Act, if any. For all Merchandise supplied by Vendor, Vendor is obligated to comply with California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"). For Merchandise that requires a Proposition 65 warning, Vendor must place warnings that comply with Proposition 65 directly on such Merchandise. Vendor shall bear full legal responsibility for providing consumers with any warning required under Proposition 65. In advance of manufacture of the Merchandise, Vendor must also notify Company, in writing, of any Merchandise that contains a chemical on the State of California Proposition 65 chemicals list that requires a Proposition 65 warning, and such notice shall include: the product name; the listed chemical(s); and the warning statement to be provided to consumers of such Merchandise. If Vendor fails to provide a proper on-product warning and/or fails to timely and properly notify Company of any Merchandise that requires a Proposition 65 warning, Vendor will defend, indemnify and hold Company and its subsidiaries, Affiliates, parents, successors and/or assigns harmless from and against any and all loss, damage, liability, fees, cost and/or expense whatsoever including reasonable legal fees and expenses, direct, special, incidental and consequential damages arising out of or relating to any Proposition 65 violations. Vendor will indemnify and defend Company and Company's subsidiaries, Affiliates, parents, officers, employees and agents against all damages, demands, claims, and costs (including reasonable attorney's fees) that arise as a result of Vendor's non-compliance with the foregoing representations and warranties. Vendor agrees to pay all costs associated with any lead testing that may be required or requested by Company or any government agency (whether foreign or domestic) to certify or confirm Vendor's compliance with the obligations contained herein. The representations and warranties set forth in this Section shall survive shipment, inspection, testing, acceptance and payment for or use of the Merchandise delivered hereunder or termination of the applicable Purchase Order. Statements of Vendor made by its sales agents or in its advertising or promotional materials as to the quality, grade, performance and use of the Merchandise shall be express warranties of Vendor made to Company in connection with the Purchase Order.

11. Inspection Rights. Company is not under any duty to inspect Merchandise and all warranties shall survive payment by Company. Company shall have the right to inspect Vendor's, and Vendor's suppliers', facilities, warehouses and manufacturing plants. Vendor shall provide Company all information relating to the origin and location of manufacture of Merchandise, including compliance with all workplace laws. Vendor further agrees to: (i) keep books and records (including without limitation all original documents) regarding the site of manufacture, raw material purchases and transportation thereof, inspection reports, fabric content and any agency relationships with respect to Merchandise; (ii) maintain such books and records for a minimum of six (6) years after the sale of the Merchandise; and (iii) make such books and records available to Company for inspection, immediately upon Company's request.
12. Confidential Information.
 - a. "Confidential Information" will mean any non-public or trade secret information of Company, including, but not limited to, all specifications, descriptions, testing and certification results, drawings, blueprints, nomenclature, samples, models, designs, patterns, economic and business information, customer data, employee data, know-how, intellectual property, marketing studies and plans, analyses, reports, client lists, financial data or other business records and other information furnished to Vendor by Company pursuant to this Agreement or any Purchase Order.
 - b. Vendor agrees that it will not use, copy, reproduce or disclose to any person any such Confidential Information except upon the express written consent of Company, which may be withheld for any reason. Vendor will take all reasonable measures to avoid disclosure, dissemination, or

unauthorized use of Company's Confidential Information, including, at a minimum, those measures it takes to protect its own confidential information. Vendor also acknowledges and agrees that, in the event of a breach of this Section, monetary damages may not be an adequate remedy and that Company shall be entitled to such other remedies as may be available in law or equity. Vendor acknowledges that the confidential information or trade secrets disclosed by Company represents its valuable property, which is intended to be maintained in perpetuity as trade secret property. Accordingly, the confidentiality and non-use obligations hereunder shall be continuing in nature and shall survive termination of this Agreement or any Purchase Order.

13. Set-Off. Company may recoup, set off, or credit against amounts payable to Vendor all present and future indebtedness of Vendor to Company arising from this or any other transaction with Vendor or any of its Affiliates whether or not related to this Agreement.
14. No Business Expectation. Company has no obligation and makes no promises to include any minimum amount of Merchandise on Vendor's website. Projections, past purchasing history and representations about quantities to be included on Vendor's website are not binding on Company, and Company shall not be liable for any act or expenditure (including but not limited to expenditures for equipment, labor, materials, packaging or capital expenditures) by Vendor in reliance on them.
15. Compliance with Law. Vendor warrants and represents that in its performance of this Agreement, it will comply with all relevant provisions of all applicable statutes, rules and regulations.
16. Information Security and Data Processing. Vendor will implement and maintain industry standard administrative, physical, and technical safeguards to prevent any collection, use or disclosure of, or access to Confidential Information (including customers' Personal Data, as defined in the Data Processing Agreement incorporated into this Agreement) other than access expressly authorized under this Agreement. Vendor will comply with the Data Processing Agreement incorporated into this Agreement.
17. Compliance with FCPA. In conformity with the U.S. Foreign Corrupt Practices Act ("FCPA") and with Company's established corporate policies regarding foreign business practices, Vendor and its employees and agents shall not directly or indirectly make an offer, payment, promise to pay, or authorize payment, or offer a gift, promise to give, or authorize the giving of anything of value for the purpose of influencing an act or decision of an official of any government (including a decision not to act) or inducing such a person to use his or her influence to affect any such governmental act or decision in order to assist Company in obtaining, retaining or directing any business. Vendor shall ensure that its employees and agents understand their obligations under the FCPA and shall take such measures as may be necessary to ensure that its employees and agents comply with its requirements.
18. Compliance with Ethical Obligations. Company is committed to fair and just business practices and full compliance with applicable laws. Vendor understands and agrees to comply with the relevant aspects of Company's policies and guidelines set forth in Company's Vendor Code of Conduct, which is available at <https://www.designerbrands.com/vendors>. If Vendor, its employees or agents learn of any evidence of illegal or unethical conduct, or other wrongful conduct by an officer, director, employee, agent or representative of Company (including any of its affiliates), Vendor shall report such noncompliance by calling Company's Ethics Hotline at 1-800-825-3595. Reports may be made anonymously to the Ethics Hotline, and Company shall not permit retaliation for a Vendor's good faith report of noncompliance.

19. Insurance. At Vendor's expense, Vendor shall obtain and maintain commercial general liability insurance including coverage for products liability/completed operations, with an insurance company satisfactory to Company. Such insurance shall have a broad form Vendor's endorsement naming Company and its subsidiaries and Affiliates and its officers, directors, employees and agents as additional insureds in the minimum combined single limit of \$1,000,000 for bodily injury and property damage. Coverage shall not be terminated or changed without at least thirty (30) days prior written notice to Company. Vendor shall furnish Company with certificates of insurance at the time of the first purchase by Company and evidence of all renewals, listing the coverages and amounts therein. The purchase of such insurance and furnishing of such certificates shall not satisfy any of Vendor's obligations hereunder or in any way modify or limit Vendor's agreement to indemnify Company as provided herein.

20. Indemnification. Vendor agrees to defend, protect and save harmless, Company, its subsidiaries, successors, assigns, customers and users of its Merchandise against any suit, damage, claim, demand, or expense (including reasonable attorneys' fees): (a) from actual or alleged infringements of any foreign or domestic patent, trademark, trade name, copyright or other industrial, personal and intellectual property rights of any nature whatsoever; (b) arising out of any claim related to the Merchandise; (c) arising out of Vendor's negligence, reckless or intentional misconduct or breach of law; (d) arising out of any claim by a consumer of Vendor's Merchandise that such Merchandise is adulterated or misbranded (as such terms are defined by 21 USC 361 et seq.) or is otherwise alleged to be the source of harm to a person; or (e) upon any other breach by Vendor of any representation or warranty made herein. Company shall have the right to appoint counsel for and defend itself against civil, administrative or criminal actions, suits, or proceedings arising out of the foregoing even if any of the allegations thereof are groundless, false or fraudulent. Amounts owing to Company by Vendor as a result of this Section shall be paid to Company by Vendor immediately following written notice by Company, and Company may offset against any amounts owed to Vendor. Company shall have the absolute right to control the conduct of any threatened litigation or litigation instituted against it and to settle and compromise any claims made against it without notice or approval of Vendor, without affecting or reducing Company's right to be indemnified by Vendor hereunder.

21. Survival; Third-Party Beneficiaries. All indemnities, warranties, guarantees and representations shall survive shipment of Merchandise or termination of this Agreement or the applicable Purchase Order, are for the benefit of and shall be enforceable by Company, any party to whom the Merchandise is delivered, and the officers, directors, employees, Affiliates, subsidiaries, heirs, successors and assigns of each of them and shall not be exclusive of any other representations and warranties made by Vendor, whether express or implied. For the avoidance of doubt, Affiliates of the Company will have the right to enforce these terms as if signatories to the Agreement or the applicable Purchase Order.

22. Force Majeure. Neither party will be liable for failure to perform or delay in performance if such failure or delay is due to fire, storm, flood, war, pandemic, embargo, or any act of God or other cause or contingency beyond such party's reasonable or foreseeable control (not arising from its or its third parties' negligence). Company will have the right to terminate or toll the term of this Agreement if it experiences a government-ordered closure of more than twenty-five percent (25%) of its operations. The party claiming the force majeure event will use its commercially reasonable efforts to mitigate the effects of such event and resume performance as soon as reasonably practical. Company may, without obligation or liability to Vendor, purchase Merchandise from another Vendor until Vendor is able to resume performance of its obligations under this PO.

23. Miscellaneous. This Agreement and the rights and obligations of the parties hereto shall be governed, construed and enforced in accordance with the laws of the State of Ohio, without regard to principles of conflicts of laws. The United Nations Convention on Contracts for the International Sale of Goods shall have no application to this Agreement or any actions hereunder or contemplated hereby. The parties agree that any litigation relating directly or indirectly to this Agreement shall be brought before and determined by a court of competent jurisdiction in Franklin County, Ohio. This Agreement may not be assigned or transferred in any manner by Vendor without the prior written consent of Company in its sole discretion. Any approved assignment or transfer requires that the assignee or transferee agree in writing to be bound by the terms of this Agreement but does not relieve Vendor of its obligations under the same, unless otherwise agreed in writing. This Agreement will be binding upon and ensure the benefit of the parties and their permitted successors and assigns. The failure of either party to exercise or enforce any of the terms and conditions of this Agreement will not constitute or be deemed a waiver of its rights hereunder to enforce the terms of this Agreement.
24. Integrated Agreement. This Agreement, the Additional Terms, any PO, the Vendor FAQs and the Logistics Guide, each as may be amended from time to time, constitute the full understanding of the parties, a complete allocation of risks between them and a complete and exclusive statement of the terms and conditions of their agreement. All prior agreements, negotiations, dealings and undertakings, whether written (including any electronic record) or oral, regarding the subject matter hereof, are superseded by this Agreement. Except as set forth in this Agreement, any changes to this Agreement shall be in writing and executed by both parties. If there is a conflict of terms between this Agreement, the Additional Terms, a PO, the Vendor FAQs, the Logistics Guide, business terms, business programs, processes, directives, or policies incorporated into this Agreement, this Agreement shall be the controlling document.