

**DROP SHIP VENDOR
GUIDE
(MERCHANTISE
VENDORS)**

v.2.0 (Dec 2021)



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1. DROP SHIP PROGRAM OVERVIEW

At Indigo, our mission is to add joy to our customers' lives. In today's retail space, speed, convenience, innovation, and personalization have become cornerstones of the customer experience. Guided by these new standards, Indigo has introduced a Drop Ship Program to offer customers an expanded assortment of products beyond what is carried in our stores and our current online warehouse.

The Drop Ship program allows vendors to fulfill orders from their inventory directly to Indigo's customers. Having a collaborative relationship with our vendor partners is an important part of delivering a successful program. The following manual is developed to ensure that all participating vendor partners have a clear understanding of the operational and technical requirements of Indigo's Drop Ship Program.

This document is an addendum to Indigo's Vendor Manual for Merchandise Vendors, specific for our Drop Ship vendors. Please refer to the Appendix section for a link to the Vendor Manual for Merchandise Vendors.

INDIGO VENDOR CODE OF CONDUCT

Please refer to Indigo's **Vendor Code of Conduct** found in the link below:

<https://static.indigoimages.ca/2021/indigo-vendor-code-of-conduct-aug2021.pdf>

INDIGO OPEN-DOOR POLICY

At Indigo, we have a strong and long-standing commitment to doing the right thing, and we have zero tolerance for unethical conduct. In line with this commitment, we have set up the Indigo Open-Door Hotline which can be found at the link below, and vendors are encouraged to report any wrongdoing or suspected wrongdoing related to Indigo's operations:

[Indigo Open Door Ethics Hotline | chapters.indigo.ca](#)

DIVERSITY, EQUITY & INCLUSION

Diversity, Equity and Inclusion are at the heart of what we do at Indigo, we are committed to providing an assortment that reflects the diversity of our society.

We have joined the 15% pledge to ensure we partner intentionally with even more diverse vendors to bring our customers a joyful experience.

If you would like more information about our DEI initiatives, please contact diversity@indigo.ca

VENDOR ELIGIBILITY FOR DROP SHIP

The requirements for a vendor to participate in the Indigo Drop Ship Program are as follows.

For Vendors who are currently using EDI (electronic data interface) to communicate with retailers and other customers, they must:

- get onboarded to EDI with Indigo (integrated or Web-EDI solution);
- send a daily inventory feed (via EDI 846);
- ship out orders within 2 business days of order receipt;
- include an Indigo branded packing slip with the shipment;
- print shipping labels to our specifications;
- successfully pass the pre-production test.

For Vendors using an E-Commerce Platform or API to integrate with Indigo, vendor must:

- connect to Indigo's 3rd party platform, Convictional, via E-Commerce Platform or API;
- ship out orders within 2 business days of order receipt;
- print Indigo branded packing slips and shipping labels.

BUSINESS HOURS AND HOLIDAYS

For the purposes of this Vendor Guide, "business days" means Monday, Tuesday, Wednesday, Thursday and Friday. Holidays are considered provincial & federal statutory holidays. Our requirements for POA, Shipping/ASN & Inventory updates are based on these definitions. If there are any planned gaps in a vendor's operations, it is the responsibility of the vendor to inform the Indigo Team with sufficient advanced notice.

As it relates to order management, we consider a business day to commence at the time the PO is systematically received by the vendor.

Examples:

- If an order is placed by a customer and received by the vendor at 10am EST, then by 10am EST the next day is considered to be 1 business day.
- If an order is placed by a customer and received by the vendor on a Friday or on a weekend, then the next business day would fall on the following Monday (i.e. order sent on a Friday at 3:30pm EST, then by Monday at 3:30pm EST would be considered as 1 business day).
- If an order is placed by a customer on a national/provincial holiday, then the order receipt day by vendor would be considered to be on the next business day.

2. VENDOR ONBOARDING

Once a vendor meets the eligibility requirements, and negotiations have been completed, the onboarding for the Drop Ship Program will begin and will include the following steps:

VENDOR REGISTRATION

As a part of the onboarding process, each prospective Drop Ship vendor must complete Indigo's drop ship vendor registration. New vendors will be sent an invitation email to register on the **Indigo Vendor Hub** (onboarding portal). Vendors should be prepared to provide the required information on the **Registration Checklist** (below) prior to proceeding with registration.

Registration Checklist

Complete
 Incomplete

Vendor Agreement
 Registration Checklist
 General Business Information
 Company Code Information
 Business Address
 Country Specific Tax Information
 Banking Details
 Diversity, Equity and Inclusion
 Sustainability
 Certificate of Insurance
 Document Upload
 Review and Submit

Please be prepared to provide the following before you proceed with registration:

1. Company contact information
2. Tax Registration Information (TIN, HST, ID, VAT, GST, NIF as applicable)
3. Banking Information
4. Business classification
5. Diversity Equity & Inclusion Questionnaire
6. Document Upload

Thank you. For any questions, please contact helpdesk vendorsetup@indigo.ca

[Next >>](#) [Save Draft](#)

Upon completion of vendor registration, an Indigo Vendor ID will be assigned and communicated to the vendor, which will enable the following steps in the onboarding process:

i. Dropship Integration set-up:

a. For EDI Enabled Vendors

- onboard with Indigo's EDI provider to either utilize the Webforms solution or complete Testing & Certification for an integrated solution;
- exchange required Drop Ship EDI documents;
- produce an Indigo branded packing slip.

b. For Vendors using an E-Commerce Platform or API

- Connect to Convictional via your E-Commerce storefront or API
- produce an Indigo branded packing slip.

ii. Article Set-up:

Indigo utilizes a web-based PIM (Product Information Management) application called Riversand to manage article master data creation and changes. Our expectation is that Drop Ship

vendors will submit accurate product content using one of the following options:

1. For E-Commerce Platform & API Vendors: submit article data via Convictional
2. For EDI Enabled Vendors: load drop ship assortment to the InterTrade Catalog for buyer selection and direct integration into PIM.
3. Direct article data load to the Riversand Platform

We recognize that these applications may be new to your organization. We advise you to review the respective training materials that will be provided for you, and to direct any questions regarding each platform to the respective third party providers, and any article attributes and requirements questions to PIM@indigo.ca

iii. Pre-production Testing

Drop Ship vendors may be required to complete a pre-production test before completing onboarding. This includes an end-to-end live test shipment.

DROPSHIP INTEGRATION

There are 2 integration paths for Dropship vendors at Indigo, via EDI or Convictional (for those connecting via E-Commerce Platform or API).

Integrating via EDI:

This is intended to set the EDI expectations Indigo has of you as a Drop Ship trading partner. Please ensure that you review and share this information with anyone in your company who may need it.

EDI Transaction Set:

Below are the EDI Documents that are required for Drop Ship:

- **846 Inventory Inquiry/Advice** (Inventory Position)
- **850 Purchase Order** (PO)
- **855 Purchase Order Acknowledgment** (POA)
- **856 Advance Ship Notice** (ASN)
- **810 Invoice**
- **997 Functional Acknowledgement** (FA)

EDI Provider:

We have partnered with Intertrade to manage the transition of our vendors to EDI with Indigo.

New vendors: transitioning to EDI with Indigo

Once all Drop Ship Onboarding paperwork is completed and an Indigo Vendor ID has been issued, the Drop Ship team will connect you with Intertrade to initiate EDI onboarding.

- Vendors requiring VAN integration will complete testing and certification with InterTrade.
- Vendors requiring a Web EDI solution will be onboarded to InterTrade’s Web EDI platform, with the required training.

Once this process is initiated by InterTrade, vendor should complete the EDI onboarding requirements, testing, training as soon as possible to ensure this is completed in a timely manner.

There is a cost to transition to EDI that depends on the nature of the solution that you choose to utilize. Intertrade will confirm all the details of your transition, including the costs involved.

Existing EDI Vendors: Testing & Certification

Existing vendors transacting via EDI with Indigo will be expected to implement new drop ship EDI documents. Vendors will be notified of any such developments and will work directly with InterTrade to Test & Certify the new documents as required.

For example, for the Drop Ship program, a new EDI document that will be required is the **846 Inventory Advice/Inquiry** (i.e. inventory position file).

Vendor EDI Contacts & Updates

If the EDI contact person for your company changes, please send the details regarding this new contact to dropship@indigo.ca.

Maintaining these contacts is very important to ensure effective communication of any transmission issues or a change in EDI document, policies etc.

If your company is going to change your EDI service provider, please advise EDIsupport@indigo.ca well in advance to making this change.

EDI Transmission

EDI transactions will flow daily as follows: (Note these will be based on hours of operation)

EDI Transaction	Data	Direction	Frequency
EDI 846	Inventory Advice/Inquiry (inventory position file)	To Intertrade	Minimum Daily , vendor can send multiple times/day
EDI 850	Purchase Order	From Intertrade	Daily , as required
EDI 855	Purchase Order Acknowledgement	To Intertrade	Within 1 business day of receiving the 850 PO (excluding weekends & holidays)

EDI 856	ASN	To Intertrade	Daily, within 2 business days of receiving the 850 PO (excluding weekends & holidays) and immediately following shipment of an order
EDI 810	Invoice	To Intertrade	Along with ASN
EDI 997	Functional Acknowledgment	Bi-directional	Immediately sent by the respective recipient system following each EDI document transmission

Inventory Inquiry/Advice (EDI 846) must be received from vendor at minimum once per day for each of their warehouse locations; however, vendor may send the 846 multiple times per day, as approved by Indigo.

Purchase Orders (EDI 850) will be transmitted from Indigo to vendor daily and may be sent multiple times a day.

Purchase Order Acknowledgment (EDI 855) for each PO must be transmitted by vendor to Indigo **within one (1) business day** of receiving the EDI 850 PO (excluding weekends & holidays).

The ASN (EDI 856) must be sent **within two (2) business days** of receiving the EDI 850 PO (excluding weekends & holidays) and immediately following the shipment of an order **with tracking details included** to allow Indigo to confirm shipment and **tracking number** with the customer.

The Invoice (EDI 810) is expected to be sent at the same time as the EDI 856 ASN.

The Indigo Branded Packing Slip is expected to be sent with the shipment to the customer (packed as required).

The Shipping Label will be printed by the vendor as per the respective carrier format.

The Functional Acknowledgment (EDI 997) is sent bi-directionally following each EDI document transmission; it is an electronic receipt from each system to confirm delivery of an EDI document.

Please note that non-compliance with our EDI specifications and transmission requirements/timelines may result in cost recovery chargebacks.

Vendors Connecting via Convictional

For vendors who are using either an E-Commerce Platform or API to connect into Indigo, Convictional is our integration partner. Convictional integrates with many of the most popular ecommerce platforms including: Shopify, Word Press, BigCommerce, Woo Commerce in addition to API.

To connect your E-Commerce store to Convictional, the steps to integration are:

- Connect your eCommerce store to Convictional
- Grant Permissions for Products, Orders & Account Information to Convictional
- Sync your products with Indigo & Push to Indigo PIM
- Set a Price List for the Indigo assortment
- Confirm accuracy with Indigo & Begin Selling

For API steps, please contact support@convictional.com for details.

ARTICLE SET-UP

There are 3 formats for vendors to provide Indigo with product content and data. No matter where product content is collected, it must adhere to our guidelines. The details of our guidelines can be found in the **Style Guide** (these can be found at the following link <https://product.indigo.ca/>)

Log in information is as follows:

Email: vendors@indigo.ca

Password: Indigo123

SUBMITTING/LOADING ARTICLE DATA

i. Product Upload via InterTrade Catalog

Vendors can use InterTrade's electronic product catalogue (ecCatalogue) to provide product information to Indigo. ecCatalogue enables the efficient flow of product attributes through direct integration to Indigo's PIM system. Once Vendor provides catalogue access to Indigo and completes all mandatory attributes (as specified), merchants can pull article data directly from the catalogue to Indigo's PIM system, helping drive efficiency, accuracy and speed to market.

Please contact **solutions@intertrade.com** to get started on ecCatalogue, or to provide access to Indigo if you are already an ecCatalogue user.

ii. Product Upload via Convictional

*More instructions to follow. In the interim, please reach out to dropship@indigo.ca for more details.

iii. Product Upload via Indigo PIM

For vendors who are using Indigo's PIM as their method to provide this data, you will be sent login instructions after being assigned an Indigo vendor ID. The instructions will be sent in an e-mail

with instructions for login and password creation to your **PIM (Product Information Management)** account:

- Note: login USERNAME will be the e-mail address submitted by the vendor to be set-up as the data contact for PIM.
- Vendors will be sent the “How To Use PIM” document, outlining the article creation and maintenance process.
- Please note: PIM is for article submission only. Category Managers must approve your articles and images for Indigo usage.

All product content will be collected in Indigo’s PIM, including costs, retails, images and relevant copy. Vendors must also supply product images and copy for each UPC.

Training documents for direct article data load to Riversand PIM:

- please access these at Learning Centre/PIM Training & Documents on the Compliance Portal (<https://indigo.traversesystems.com>); these documents include steps on how to create and manage articles/display units in PIM.
- Data Dictionary: please refer to this document for a list of article attributes:
Link: please access these at Learning Centre/PIM Training & Documents on the Compliance Portal (<https://indigo.traversesystems.com>)
- Data Entry Guide: please refer to this document for instruction on how to effectively enter article data:
Link: please access these at Learning Centre/PIM Training & Documents on the Compliance Portal (<https://indigo.traversesystems.com>)

Data Quality Training Documents

Indigo Product Style Guide: please refer to this document for more information on product image guidelines and product copy guidelines:

Link: <https://product.indigo.ca/>

Username: vendors@indigo.ca

Password: Indigo123

Writing Guide for French Products: refer to this document for guidelines on use of proper French language for product names and descriptions (required for all online and OMNI channel SKUs)

Link: please access these at Learning Centre/PIM Training & Documents on the Compliance Portal (<https://indigo.traversesystems.com>)

French Translation Requirements

Vendors are expected to provide complete and quality French descriptions for all articles sold on indigo.ca a minimum of 10 business days before the expected in-DC date (i.e. PO delivery date).

For vendors requiring a French translation resource, please reach out to either of Indigo’s preferred partners (3rd party translation service provider):

TRANSPERFECT:

Website: www.transperfect.com
 Email: indigo@transperfect.com
 Phone: 416-703-0050

TRSB:

www.trsb.com
 Email: TRSB-Traductions@trsb.com
 Phone: (514) 844-4682
 Submit your request via <https://indigo.trsb.com/> using registration code 552021

Please contact these partners directly for translation services and mention that you are an Indigo vendor. **Please note: translation service costs are the vendor’s responsibility.**

Alternatively, if vendors are unable to provide French content, Indigo will complete the translation for the respective vendors and **will charge the total fee of the translation service** (charged by the 3rd party translation service provider) **in addition to** the **Missing Item Description (French) chargeback fee** (per UPC) to the respective vendor (see data compliance table below).

To further clarify what we consider proper French and to comply with our naming structure, please see the **Scoring Table** and the **Writing Guide** for French Products.

Translation Scoring Table

Here is the scoring table that we would also like to send to the vendor (you will also find that table in the auditing template, in the second tab).

Great	Text flows very well No errors (spelling, grammar, syntax, translation, language) Idiomatic French
Good	Non-localized French Some sentences could be formulated better Readability is good
Fair	Spelling: Fewer than 3 typos or error English terms more accepted (cool, fun, etc.) Punctuation errors
Bad	Machine translated or similar quality (unreadable) Translation errors (incorrect transfer) Spelling errors Syntax errors Grammar errors Language errors (Anglicism, wrong term)
No French	No FR whatsoever

FR title and EN description
EN title and FR description

If you have any questions regarding our data requirements and options to submit article data, please contact our PIM team at pim@indigo.ca

Product Data Compliance

Please refer to the Compliance Chargebacks – Drop Ship section below for the list of PIM compliance rules and the respective chargeback amounts for violations.

Product Compliance and Quality

Product Data Quality Policies

At Indigo we provide our customers with safe and high integrity products that comply with applicable laws, regulations, and industry standards of the countries we operate in. This includes all applicable and required government registrations, licenses, testing and certifications. Upon request, all vendors are expected to have supporting documentation that confirms that products being supplied to Indigo and its customers have met all applicable regulations and standards of the countries where we conduct business. Non-Compliance with applicable regulations may result in the cancellation of purchase orders and/or products withdrawals and recalls.

All Indigo Product Quality Policies and Product Safety Policies are explained in detail in the Indigo Vendor Manual which all Indigo vendors are required to follow.

PRE-PRODUCTION TEST ORDER

The last phase of the onboarding process may include an end-to-end test order with the vendor to ensure that all EDI, packing, labelling and documentation requirements, product and shipment quality meet Indigo’s required standards.

INVENTORY ADVICE – 846

Indigo advises vendors to maintain a safety stock level of 98% or two (2) weeks inventory, as a best practice.

Indigo does not accept backorder or on-order items in the Inventory Advice – 846 (no future dates are accepted in the EDI 846).

For vendors leveraging an EDI Solution: The 846 is required at a minimum on a daily basis but can be sent multiple times per day (excluding weekends and holidays) to ensure accurate inventory quantities.

3. ORDER FULFILMENT

Below are Indigo's expectations for successfully fulfilling a Drop Ship order.

ORDER ACKNOWLEDGMENT - POA

Indigo requires vendors to send an acknowledgment of a Drop Ship order using an EDI 855 Purchase Order Acknowledgment within twenty-four (24) hours (or 1 business day) of receiving the respective EDI 850 Purchase Order (excluding weekends & holidays); this is the defined "POA Transmission Window".

Indigo will only accept the following updates in an **EDI 855 POA**:

- quantity change;
- cancellation of one or all items;
- **Please note: date changes are NOT accepted (no backorders allowed).**

Indigo will not accept a follow-up POA for Drop Ship orders.

We can only accept one EDI 855 POA per Drop Ship PO.

Failure to send an accurate POA within the required Transmission Window may result in a non-compliance chargeback.

ADVANCE SHIP NOTICE - ASN

Vendors are required to send an EDI 856 ASN within forty-eight (48) hours (or 2 business days) of receiving the respective EDI 850 Purchase Order (excluding weekends & holidays), and immediately after the order has shipped; this is the defined "ASN Transmission Window".

The ASN **must contain**:

- a single PO shipped to the end customer (We can only accept **one ASN per Drop Ship PO**).
- carrier tracking information.

A shipment notification is subsequently sent to the customer with the tracking number for the respective order. **Please ensure the tracking number is accurate.**

Failure to send an accurate/complete ASN (with detail outlined above) within the required Transmission Window may result in a non-compliance chargeback.

ON-TIME SHIPMENT

Vendor is required to have all in-stock Drop Ship orders shipped from their warehouse within forty-eight (48) hours of receiving the Purchase Order (EDI 850 PO) (excluding weekends & holidays), unless agreed upon in prior negotiations; this is the defined as the "Ship Window"

In-stock merchandise is expected to be received by the customer within one to three (1-3) business days from the time of the Purchase Order, unless specified otherwise by the carrier.

Failure to send a shipment to customer within the required Ship Window may result in a non-compliance chargeback.

CARRIERS

To fulfill our Dropship orders, Indigo has relationships with the following carriers. During onboarding you and the Dropship Team will arrange for a specific carrier(s) to be used to fulfill orders to our customers.

- **Canada Post** - this is the preferred carrier (see size and weight restrictions)
- **UPS** – for larger items only, where either of the Canada Post size or weight restrictions is exceeded.
- **Purolator** – for our largest items, when UPS & Canada Post size or weight restrictions are exceeded

Canada Post – size and weight restrictions:

- Maximum size:
 - No dimension may exceed 2 m (78.7 in)
 - Length plus girth must not exceed 3 m (118 in)
- Maximum weight: 30 Kg per package

UPS size and weight restrictions:

- Maximum size:
 - Maximum length of 108 inches or 274 centimeters per package
 - Length plus girth must not exceed 130 inches or 330 centimeters
- Maximum weight: 90 pounds or 41 kg per package

Any package larger than the above UPS restricted size/weight may require an LTL carrier that does residential deliveries; this will need to be pre-approved by Indigo and arranged by the vendor. Carrier size and weight restrictions will be reviewed during onboarding.

Purolator Parcel size and weight restrictions:

- Maximum size:
 - longest side measures more than 48" (approx. 122 cm) and less than or equal to 108" (approx. 274 cm).
 - Packages that weigh more than 50 lb. (approx. 22 kg) but less than or equal to 150 lb. (approx. 68 kg)

Purolator LTL size and weight Restrictions:

- measure more than 165" (approx. 419 cm) in total overall piece size† or have their longest side measuring more than 108" (approx. 274 cm).
- Packages that weigh more than 150 lb. (approx. 68 kg)

ORDER FULFILMENT RATE

The expectation is for a vendor to maintain a fulfilment rate of minimum 98% in order to continue to participate in the Drop Ship program. **If vendor fails to do so for three (3) consecutive months, Indigo may remove vendor's assortment/items from the site.**

Indigo will not accept backordered items. If the item is not available to ship at the time the Drop Ship order is sent, the vendor must reject the item through the 855 EDI POA within twenty-four (24) hours (or 1 business day) of vendor's receipt of 850 EDI PO.

ORDER CANCELLATIONS

Order cancellations due to a "No Inventory Position" must be communicated by vendor to Indigo through the 855 EDI POA within twenty-four (24) hours (or 1 business day) of vendor's receipt of 850 EDI PO.

Indigo expects a minimum ninety percent (90%) Order Acceptance Rate from the 850 Purchase Order to the 855 POA.

Vendor Order Acceptance Rate will be tracked monthly, but may be monitored more frequently during the holiday peak period from October to December. **If vendor has an Order Acceptance Rate consistently lower than 90%, Indigo may remove vendor's assortment/items from the site.**

DELAYED SHIPMENTS

Should there be any delays in shipping an item/order within the allowable forty-eight (48) hour (or 2 business day) Ship Window, vendor must notify Indigo Drop Ship Operations in writing (via email to DropShip@indigo.ca) with item/order details.

Any items/orders delayed after they have been accepted in the POA will be subject to a non-compliance chargeback.

PRODUCT QUALITY REQUIREMENTS

Vendors are responsible for supplying safe, quality products.

Merchandise must be packed sufficiently to prevent damage during transport to the customer.

All merchandise must have a UPC barcode on the packaging \Retail price must not be indicated on the UPC sticker.

Merchandise must be in brand new, saleable condition, not a resale item previously returned to vendor with packaging opened and resealed.

Any issues with respect to these requirements must be discussed with the Drop Ship team during onboarding.

If Indigo receives a high level of customer complaints about the quality of the vendor merchandise, packaging, packing or shipment (including damage or previously used item), Indigo may remove vendor's assortment/items from the site.

LOST ORDERS

Indigo will incur the costs involved with a replacement order for lost items only if the vendor can provide Proof of Delivery (POD) for the original order. If POD is not provided, vendor will be responsible for all costs related to the replacement order.

REPLACEMENT ORDERS

Replacement Orders will be required when vendor:

- ships the wrong item/merchandise to the customer;
- short-ships the order (missing items), without a prior notification of item cancellation;
- ships an item/merchandise with missing parts;
- cannot provide a Proof of Delivery for a Lost Order.

Vendor will receive a new Replacement Order (EDI 850 PO) and will be required to send an EDI 856 ASN with new carrier tracking information for the replacement order.

Vendor will cover any and all costs that occur during fulfillment of a replacement order, including the shipping cost.

If vendor has a high rate of replacement orders, Indigo may remove vendor's assortment/items from the site.

UNDELIVERABLE SHIPMENTS

If the carrier deems an order undeliverable, the vendor must contact Indigo Drop Ship Operations immediately via email at DropShip@indigo.ca for ship-to address verification.

4. DROP SHIP PACKING GUIDELINES

Below are Indigo's expectations for successfully packing a Drop Ship order for shipment.

If Indigo receives a high level of customer complaints about the quality of the vendor packing, resulting in damaged product or a poor customer experience, Indigo may remove vendor's assortment/items from the site.

SHIPPING CARTONS

Merchandise must be packed and shipped in a new, plain (where possible), securely sealed corrugated box/carton.

- The box/carton may contain minimal vendor markings, with no vendor name, logo, or branding. Any exceptions to this requirement must be pre-approved by Indigo's Drop Ship team by request email sent to DropShip@indigo.ca
- There must be sufficient (but not excessive) packing and inserts inside the box/carton to ensure damage-free shipment to the customer.

Unless explicitly approved in writing by Indigo, the box/carton must not contain any promotional or marketing material inserts from the vendor (with the exception of product information, warranties, instructions/manual)

PACKING SLIP

An Indigo branded packing slip must be included in the sealed box/carton for each customer shipment.

- For merchandise pre-packed in a plain customer ship-ready box/carton that does not require additional repacking, the packing slip must be placed in a sealed and secured pouch, affixed to the exterior of the box/carton.
- A sample of the Indigo branded Packing Slip must be provided during vendor Drop Ship onboarding for review and approval by Indigo's Drop Ship team.
- The packing slip may be printed (front & back) on a four inch by eight inch (4"x 8") label; or alternatively, on an eight inch by eleven inch (8"x11") sheet and folded in the middle to create the packing slip with front and back content.

Packing Slip Contents:

The Packing Slip contents must include the following:

Front Side:

- Customer Order Number

- Shipping Date
- Shipped To Detail (customer info):
 - Delivery Name
 - Delivery Address (Street, City, Province, Postal Code)
- List of Items Included in the Shipment:
 - Shipped Quantity
 - Item Name
 - Item UPC
- “THANK YOU FOR CHOOSING INDIGO”

Rear Side:

- Exactly as provided on the sample Packing Slip Layout image below.

Packing Slip Specifications:

The specifications for the content on the front side of the Packing Slip are as follows:

- **Field labels / "Thank you for choosing Indigo"**
 - Font: Miller Display Roman
 - Font Weight: Regular
 - Font Size: 10PT
- **Order data**
 - Font: Trade Gothic LT standard
 - Font Weight: Regular
 - Font Size: 7PT

The specifications for the content on the rear side of the Packing Slip are as follows

- Font: Miller Display Roman
- Font Weight: Regular
- Larger Font Size: 10PT
- Smaller Font Size: 8PT
- Notes:
 - Indigo logo to be provided during onboarding
 - Customer Service return note to read:

English script:

EASY RETURNS WITHIN 30 DAYS:
 WWW.CHAPTERS.INDIGO.CA/FREE-
 RETURNS

French script:

RETOURS FACILES DANS LES 30 JOURS
 WWW.CHAPTERS.INDIGO.CA/FREE-
 RETURNS

- Footer script (last line):
 - Font: Trade Gothic LT standard
 - Font Weight: Regular
 - Font Size: 6PT

Sample of the Indigo Packing Slip Layout:

FRONT SIDE:

<p>ORDER / COMMANDE: ORXXXXXXXX</p> <p>DATE: MONTH DD, YYYY PAGE: X/X</p>	<p>SHIPPED TO/DESTINATAIRE:</p> <p>DELIVERY NAME DELIVERY TO STREET 1 DELIVERY TO STREET 2 DELIVERY CITY DELIVERY PROVINCE DELIVERY POSTAL CODE</p>																		
<p>ITEMS INCLUDED IN THE SHIPMENT</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">QTY</th> <th style="text-align: left;">ITEM NAME</th> <th style="text-align: left;">ITEM UPC</th> </tr> </thead> <tbody> <tr> <td>x</td> <td>WHEN BREATH BECOMES AIR</td> <td>9780812988406</td> </tr> <tr> <td>x</td> <td>EXPRESSIONS KNIT THROW – LOVE MY HOME</td> <td>882709253914</td> </tr> <tr> <td>x</td> <td>WHEN BREATH BECOMES AIR</td> <td>9780812988406</td> </tr> <tr> <td>x</td> <td>EXPRESSIONS KNIT THROW – LOVE MY HOME</td> <td>882709253914</td> </tr> <tr> <td>x</td> <td>WHEN BREATH BECOMES AIR</td> <td>9780812988406</td> </tr> </tbody> </table> <p style="text-align: center; margin-top: 20px;">THANK YOU FOR CHOOSING INDIGO</p>		QTY	ITEM NAME	ITEM UPC	x	WHEN BREATH BECOMES AIR	9780812988406	x	EXPRESSIONS KNIT THROW – LOVE MY HOME	882709253914	x	WHEN BREATH BECOMES AIR	9780812988406	x	EXPRESSIONS KNIT THROW – LOVE MY HOME	882709253914	x	WHEN BREATH BECOMES AIR	9780812988406
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REAR SIDE:

<p>Indigo</p> <p><i>chapters indigo indigo.ca</i></p> <p>THANK YOU FOR YOUR ORDER. WE HOPE YOU LOVE IT!</p> <p>CUSTOMER SERVICE SERVICE@CHAPTERS-INDIGO.CA 1 800 832 7569 MONDAY TO SUNDAY 9AM-12AM EASTERN EASY RETURNS WITHIN 30 DAYS! WWW.CHAPTERS.INDIGO.CA/URLTOINFOPAGE</p> <p>JOIN THE CONVERSATION ON: / @CHAPTERSINDIGO #ASKINDIGO #INDIGOFAVES</p> <p style="font-size: 8px; margin-top: 10px;">INDIGO AND CHAPTERS ARE TRADEMARKS OF INDIGO BOOKS AND MUSIC INC.</p>	<p>Indigo</p> <p><i>chapters indigo indigo.ca</i></p> <p>NOUS VOUS REMERIONS POUR VOTRE COMMANDE. NOUS ESPÉRONS QUE VOUS ALLEX L'ADORER!</p> <p>SERVICE À LA CLIENTÈLE SERVICE@CHAPTERS-INDIGO.CA 1-800-832-7569 DU LUNDI AU DIMANCHE DE 9 H À MINUIT, HE EASY RETURNS IN WITHIN 30 DAYS FRENCH: WWW.CHAPTERS.INDIGO.CA/URL TOINFOPAGE</p> <p>JOINGNEZ-VOUS A LA CONVERSATION SUR / @INDIGOFRANCAIS #ASKINDIGO #INDIGOFAVES</p> <p style="font-size: 8px; margin-top: 10px;">INDIGO AND CHAPTERS ARE TRADEMARKS OF INDIGO BOOKS AND MUSIC INC.</p>
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Please note: the front and rear sides of the specified packing slip may be printed on an 8"x11" sized paper and folded in half to create the front & rear views.

ADDITIONAL PACKAGING REQUIREMENTS

Bilingual Packaging:

Adhering the Canadian Consumer Packaging and Labeling Act and the Quebec Charter of the French Language, all information on the product, its packaging and supplied documents (i.e. Instruction manual, warranty, etc.) must be in English and French, words and statements written equally in both languages. Exemptions and special conditions are as follows:

- French language can be exempt if the word/statement is engraved, baked or inlaid in the product itself, riveted or welded to it or embossed on it, in a permanent manner; however, all statements concerning safety or warning must be written on the product, in a permanent manner, in both English and French. Note: Silk-screened words are not exempt.
- French language can be exempt for a firm's name if the firm is established exclusively outside Quebec.
- A recognized Trademark may be exclusively in a language other than French. A trademark is designated by the following symbols ®, TM or SM.
- An internationally recognized symbol e.g. PP, PE on poly bag, does not need to be translated into French.

Polybag Requirements:

If vendor is using a Polybag for packing, the Polybag must meet the following criteria:

- Polybag size must be such that the product fits inside with no more than one inch (1") of excess space.
- Polybags must be clear and made from film that is at least 0.75 mil [19.0 µm] thick.
- If this is a polybag that Indigo's customer will ultimately receive, and it has an opening that is greater than fourteen inches (14") in circumference, then the polybag must have on it, clearly printed in black, visible and smudge proof, the following anti-suffocation safety warning in both official languages:

"PLASTIC BAGS CAN BE DANGEROUS. TO AVOID DANGER OF SUFFOCATION, KEEP THIS BAG AWAY FROM BABIES AND CHILDREN."

“LES SACS DE PLASTIQUE PEUVENT ÊTRE DANGEREUX. POUR ÉVITER LE DANGER DE SUFFOCATION, NE LAISSEZ PAS CE SAC À LA PORTÉE DES BÉBÉS NI DES ENFANTS”

Product and Packaging Requirements:

Indigo will not accept illegally harvested wood and paper products. Indigo will immediately terminate business with vendors found to use such wood in its packaging materials.

Sustainable Packaging:

Where paper packaging is used (either corrugate or non-fluted paperboard packaging), Indigo prefers that vendors avoid virgin materials and use recycled materials.

Packaging for Specialty Product

i. Fragile

- All fragile items (glassware, ceramics, gift items, furniture...) must be adequately packaged to protect merchandise from breakage or damage.
- If products require special handling or stowage, the packaging should be marked; this information should also appear on the Bill of Lading.
- Please refer to Packaging for Specialty Product in the Case & Pallet Labeling Guideline (Section 7.4.1.3) for further instruction on labeling Fragile product.

ii. Food/Gourmet

- *For food, gourmet and any other such product with a shelf life the 'Best Before' date must be clearly indicated on at least one side of each carton (in addition to being indicated on each of the item itself).*
- *Any goods requiring temperature control including protection from freezing must be identified as such on the carton and on the Bill of Lading.*
- *In order to ensure receipt and put-away within a 48hr window, gourmet/food and any other perishable product must be clearly indicated/identified as such:*
- *On the Freight Notification Form (for Indigo controlled freight);*
- *At time of booking a DC delivery appointment (for vendor controlled freight).*

iii. Other

- *Any pre-approved shipments containing oversized and/or heavy cartons must have "HEAVY" and/or "OVERSIZED" marked on the respective carton in either label or legible preprint carton marking format.*
- *Any cartons containing cosmetics must have the 'Expiry' and 'Best Before' dates clearly indicated (marked/labeled) on at least one side of each carton (in addition to being indicated on each of the item itself).*

5. CUSTOMER RETURNS AND EXCHANGES

CUSTOMER RETURNS

A Customer Return Label will not be included with the shipment; customers may either contact Indigo Customer Service or print the label at indigo.ca (as instructed on our website).

Customer returns will either be directed to the Indigo Distribution Centre, or shipped directly to the Warehouse of the Vendor, at the cost of the vendor (either billed directly to the vendor or managed through a negotiated returns allowance). This will be decided based on shippable dimensions of the assortment and capabilities of a vendor.

VENDOR RETURN OPTIONS

There are two options for vendor returns:

1. Returns Allowance:

A returns allowance percentage may be negotiated with your Category Manager during onboarding and will be monitored regularly. Vendor will pay Indigo the monthly returns allowance as agreed between Indigo and vendor. In this option returned items will be managed by Indigo and not returned to the vendor.

2. RTV – Return to Vendor

As required by vendor, returned items will be directed back to the respective vendor warehouse, as follows. Parcel sized items will be consolidated and periodically returned back to vendor at vendor's expense. Oversize items will be individually returned directly back to the vendor warehouse from the customer's address, at vendor's expense.

In the event that a customer returns an item directly to the vendor, or vendor receives an undeliverable item from the carrier, the vendor must notify Indigo Drop Ship Operations of the return within two (2) business days of receipt, via email at DropShip@indigo.ca so it may be handled accordingly.

For any RTV (Return to Vendor) items, the vendor is required to provide Indigo with the following information:

*RTV is at the expense of the vendors

- a single **Return Authorization (RA) number**;
- **Returns Address** where product should be sent back.

CUSTOMER EXCHANGES

Customer exchanges are resolved either at an Indigo store or with Indigo Customer Service.

6. CHANGE PROCESS

DROPSHIP FULFILLMENT INTERUPTION

Vendors must provide a minimum of sixty (60) days written (email) notice for significant interruptions to their Drop Ship fulfilment, such as operational or technical changes that may affect the direct-to-consumer process (i.e. warehouse changes/moves, closures, technological changes, etc.)

Changes are to be communicated in writing to Drop Ship Operations via email at DropShip@indigo.ca; failure to notify Indigo in a timely manner may result in a non-compliance chargeback.

7. COMPLIANCE CHARGEBACKS – DROP SHIP

As part of Indigo’s Vendor Compliance Program, below is the list of Compliance Chargebacks that may apply to drop ship orders identified as non-compliant with Indigo’s Drop Ship Guidelines. Please note that this list may be updated at any time as required.

Drop Ship Order Fulfilment Compliance Chargeback	Violation	Cost Recovery Charge
Late POA	POA not sent within 1 business day of PO receipt	\$25 per PO
Late Shipment/Late ASN	ASN not sent within 2 business days of PO receipt	\$25 per PO
Missing POA	POA not sent at all for order	\$25 per PO
Missing ASN	ASN not sent at all for order	\$25 per PO
Incorrect/Missing Tracking Number	Incorrect/Missing Tracking # in ASN	\$25 per PO
Wrong item shipped/ Item not shipped/ Missing parts	Incorrect/missing item/parts	\$25 per PO
Packing Error (where identified as vendor error)	Incorrect packing used for shipment	\$25 per PO

Below are the Article Data Compliance rules and related chargebacks;

PIM Compliance Chargeback	Rule/Violation	Charge Amount
Consumer Package Dimension Error	<p>Measured volume value compared to vendor provided volume (based on 3 loaded dimensions): violation if discrepancy is < or > 5% (less than/greater than five percent) for boxed/poly-wrapped/defined shapes (i.e. hard goods, packaged soft goods, etc...)</p> <p>< or > 20% (less than/greater than twenty percent) for unboxed/unwrapped/ undefined shapes (i.e. plush toys, loose/unpackaged soft goods, etc...)</p>	<p>\$25 per UPC, per violation</p> <p>(may apply to same UPC multiple times if error repeats itself on subsequent measurements)</p>
Consumer Package Weight Error	<p>Measured/cubiscanned weight value compared to vendor provided weight value: violation if discrepancy is < or > 5% (less than/greater than five percent)</p>	<p>\$25 per UPC, per violation</p> <p>(may apply to same UPC multiple times if error repeats itself on subsequent measurements)</p>
Master Case Dimension Error	<p>Measured volume value compared to vendor provided volume value (based on 3 loaded dimensions): violation if discrepancy is < or > 5% (less than/greater than five percent)</p>	<p>\$25 per UPC, per violation</p> <p>(may apply to same UPC multiple times if error repeats itself on subsequent measurements)</p>
Master Case Weight Error	<p>Measured/cubiscanned weight value compared to vendor provided weight value: violation if discrepancy is < or > 5% (less than/greater than five percent)</p>	<p>\$25 per UPC, per violation</p> <p>(may apply to same UPC multiple times if error repeats itself on subsequent measurements)</p>

Missing Item Image	Item image must be sent minimum 10 (ten) business days ahead of PO Delivery Date (in-DC date)	\$100 per UPC
Poor Image Quality	Images must meet aspect ratio and resolution requirements/standards	\$50 per UPC, per poor aspect ratio \$50 per UPC, per poor resolution
Missing Item Description - English	Item description (English) must be sent minimum 10 (ten) business days ahead of PO Delivery Date (in-DC date)	\$50 per UPC
Missing Item Description - French	Item description (French) must be sent minimum 10 (ten) business days ahead of PO Delivery Date (in-DC date)	\$50 per UPC
Insufficient Item Description Length - English	Item description (English) must meet minimum 25-word count requirement	\$50 per UPC, per violation
Insufficient Item Description Length - French	Item description (French) must meet minimum 25-word count requirement	\$50 per UPC, per violation
Inaccurate Item Description Length - French	Item description (French) must be accurate/correct as per Indigo's French standard requirements (otherwise, it will require proper translation - rework)	\$50 per UPC, per violation

Chargeback detail will be available and managed on Indigo's Vendor Compliance Portal (<https://idg.traversesystems.com/#/login>).

On the portal, vendors may:

- View Chargeback detail;
- Dispute chargebacks with supporting documentation/information (required) for a 60-day period following charge creation; only disputes with sufficient supporting detail may result in a charge reversal (reviewed on a case by case basis)

8. CONTACT INFORMATION

Inquiry	Contact	Phone	Business Hours
EDI	Indigo EDI Support edisupport@indigo.ca	1-800-873-7803	Monday to Friday 9:00AM-5:00PM EST
InterTrade	<p>InterTrade Customer Support support@intertrade.com</p> <p>For immediate assistance, please contact:</p> <p>Intertrade Customer Support 1-800-873-7803 (8:30am – 5pm EST, Monday through Friday, excluding holidays)</p> <p>For non-urgent assistance, please send an email to one of the following addresses based on the service you use, with your name, your company name, and a detailed description of the issue: File Integration/Fulfilment support: support@intertrade.com</p> <ul style="list-style-type: none"> • WebForms/other: support@intertrade.com • ecCatalogue: solutions@intertrade.com 		Monday to Friday (excluding Holidays) 8:30am-8:00pm EST
Convictional Support	support@convictional.com		
Master Data (PIM)	pim@indigo.ca		Monday to Friday 9:00AM-5:00PM EST
Vendor Onboarding	vendorsetup@indigo.ca		Monday to Friday 9:00AM-5:00PM EST
Vendor Compliance	vendorcompliance@indigo.ca		Monday to Friday 9:00AM-5:00PM EST
Compliance Chargebacks & Disputes	logon to portal (24/7) https://indigo.traversesystems.com/		
Dropship Inquiries	dropship@indigo.ca		Monday to Friday 9:00AM-5:00PM EST
Quality Assurance	Kitty Tang Sr, Manager, Product Quality ktang@indigo.ca		Monday to Friday 9:00AM-5:00PM EST
Accounts Payable	A/P Department 100 Alfred Kuehme Boulevard Building #55 Brampton, On, Canada L6T 2K2		
General Merchandise	Sharon Garzon, Sharon_g@indigo.ca	905-789-1234 ext. 2138	

APPENDIX

INDIGO VENDOR MANUAL FOR MERCHANISE VENDORS

The Vendor Manual for Merchandise Vendors can be found at the following link:

https://static.indigoimages.ca/2021/indigo_vendor_manual_for_merchandise_vendors_v.8.0_nov2021.pdf

VENDOR LIABILITY INSURANCE MATRIX

Indigo requires vendors to maintain the required liability insurance coverage by product category. The coverage requirements are categorized by \$1M, \$2M, \$5M and \$10M insurance limit amounts. Insurance requirements by product category are detailed in the Vendor Manual as well as specific information regarding the type of insurance required; please refer to this document to understand your respective insurance requirements.

Please refer to our **Vendor Manual for Merchandise Vendors** to review the **Liability Insurance Coverage Matrix** to determine the required liability insurance coverage by product category.

The Vendor Manual for Merchandise Vendors can also be found at the following link:

https://static.indigoimages.ca/2021/indigo_vendor_manual_for_merchandise_vendors_v.8.0_nov2021.pdf

INDIGO CUSTOMER DATA SECURITY GUIDELINES

Indigo considers Indigo Customer Data (as defined below) to be confidential information pursuant to the Vendor Agreement, which requires appropriate safeguards and protection. The following guidelines are meant to provide an overview of the standards that Indigo expects of any Indigo Customer Data shared with Drop Ship vendors:

1. Definitions.
 - a. “Indigo Customer Data” means any information related to Indigo’s customers, including but not limited to: (i) Personal Information; (ii) loyalty program membership details; and (iii) transactional information.
 - b. “Personal Information” means information about an identifiable individual, including, but not limited to, name, social insurance number, driver’s license, or government identification number, mailing address, email address, phone number, and any other personally identifiable information.
2. Security Policies and Safeguards. Vendors should establish and maintain an information security program which includes administrative, technical, and physical safeguards designed to protect against the destruction, loss, unauthorized access, use, alteration or disclosure of Indigo

Customer Data in the possession or under the control of Vendor. The security program elements should be: (i) no less rigorous than those maintained by Vendor for its own information of a similar nature (but in no event using less than a reasonable standard of care); and (ii) no less rigorous than generally accepted industry standards; and (iii) as required by applicable laws.

The security procedures and safeguards implemented and maintained by Vendor should include the following measures and controls and/or their functional equivalents:

- i. User identification and access controls designed to limit access to Indigo Customer Data to authorized users and to detect unauthorized access by users and third parties;
 - ii. the use of appropriate procedures and technical controls regulating data entering Vendor's network from any external source;
 - iii. the use of encryption techniques when Indigo Customer Data is transmitted or transferred into or out of the hosted environment;
 - iv. physical security measures, including without limitation, securing Indigo Customer Data within a secure facility where only authorized personnel and agents will have physical access to the Indigo Customer Data;
 - v. operational measures, such as IT Service Management (ITSM) processes designed to ensure the correct and secure operations of information processing activities;
 - vi. periodic employee training regarding these security programs; and
 - vii. periodic testing of these systems and procedures.
3. Certifications and Third Party Audits. To support Indigo's confidence and visibility to Vendor data security practices related to the Indigo Customer Data, Indigo strongly encourages Vendors to share information relating to internal and external information security audits and certifications, such as a Service Organization Control ("SOC") 1 requirements, SOC 2 requirements and/or International Organization for Standardization ISO/IEC 27018:2014.
4. Security Incident Response. If a Vendor becomes aware of facts or circumstances of a suspected or probable loss of or unauthorized access to (including by Vendor's employees or contractors), use of, or disclosure of any Indigo Customer Data (an "Information Security Incident"), Indigo expects that Vendors will:
- i. promptly (and in any event within 24 hours of becoming aware of such Information Security Incident), notify Indigo, in writing, of the occurrence of the Information Security Incident;
 - ii. take reasonable steps to mitigate the effects and to minimize any damage to Indigo or affected individuals resulting from the Information Security Incident;
 - iii. investigate the Information Security Incident and conduct a reasonable analysis of the cause(s) of the Information Security Incident;
 - iv. provide periodic updates of any ongoing investigation to Indigo;
 - v. develop and implement an appropriate plan to remediate the cause of the Information Security Incident to the extent the cause is within Vendor's control; and

- vi. cooperate with Indigo’s reasonable investigation or Indigo’s efforts to comply with any customer or regulator notification or other regulatory requirements applicable to the Information Security Incident.
5. Timely Destruction of Indigo Customer Data. Indigo expects that Vendors will have appropriate data retention and destruction practices, and that Indigo Customer Data in Vendor’s possession and systems will be deleted and/or destroyed in a reasonable time period following the intended use of the Indigo Customer Data.