

Ron Jon Surf Shop

Routing

&

Compliance Guide

Effective January 1, 2016

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I. General Instructions:

1. This guide supersedes all previous routing guides and freight handling instructions issued by Ron Jon Surf Shop.
2. This guide contains detailed instructions for the routing, documentation, and packaging of merchandise for shipment to Ron Jon Surf Shop distribution center and stores.
3. Noncompliance with the Ron Jon routing and freight handling requirements will result in a charge back of all excess expenses incurred plus an administrative fee.
4. Each vendor/supplier is responsible to forward this guide to its Logistics Department and other affected individuals responsible for the delivery of product to Ron Jon Surf Shop distribution center and stores.

II. Routing Instructions

A. Introduction

The purpose of this routing guide is essential to the expeditious movement of product from our vendor's facility to Ron Jon's distribution center and stores. Failure to comply with these instructions will result in a charge-back of all excess freight charges and administrative fee for each violation.

B. Bill of Lading Instructions

Ron Jon Surf Shop requires a legible bill of lading with each shipment for a common carrier. The bill of lading must contain the following information:

1. Ship From: (complete name & address of shipper)
2. Ship To: (complete name, address & telephone number of the Distribution Center or Store)
3. Date Shipped: (Not scheduled to ship, actually shipped)
4. Purchase Order Information: purchase order number(s)

Note: If more than one purchase order is contained in a single shipment, itemize the total number of cartons and total weight of each purchase order pertaining to the shipment on the bill of lading.

5. Carrier Name
6. Freight Payment Terms: (Freight Collect, Pre-paid, Third Party F/C)
7. Carrier Information:
 - a. Handling Unit – Quantity & Type (pallets, crate, etc.)
 - b. Package - Quantity & Type (cartons, bags, etc.)
 - c. Total of Handling Units - Cartons
 - d. Accurate weight of shipment. **Note (Itemize pallet weight separate from product and ship under class 70).**
 - e. Commodity Description-Refer to National Motor Freight Classification (NMFC) Tariff

Note: If the density is required to properly describe product, show accurate density.

- f. NMFC Commodity Class Number (Actual number product ships under)
- 8. Special Instructions: As needed
- 9. General Notes: For vendors shipping prepaid please include the following, **“Shipper responsible for all accessorial fees”**.
- 10. Payment Instructions:
 - a. For vendors shipping LTL freight collect, the following information must be noted in the “Bill To” portion of the bill of lading. All freight bills are to be billed to:

**Ron Jon Surf Shop of Fla., Inc.
3850 S. Banana River Blvd.
Cocoa Beach, FL 32931**

C. LTL Common Carrier Shipments

The following LTL Common Carrier Routing Instructions are to be used for any shipment that exceeds 400 pounds, but less than 5,000 pounds. If the shipment exceeds these limits, contact Ron Jon’s Logistics Department at (321) 799-8888 ext. 1005 for routing.

Note: The following exception applies to all low density shipments. Cubic capacity will apply when a shipment is subjected to Class 150 (actual density of 4 but less than 6 pounds per cubic foot), through Class 250 (actual density of 2 but less than 4 pounds per cubic foot). If this situation arises the vendor/supplier must contact Ron Jon’s Logistic Department at (321) 799-8888 ext. 1005 for special routing instructions 48 hours prior to shipments being picked-up.

When requesting routing instructions, please have the following information available:

1. Origin zip code of the shipment
2. Destination zip code of the shipment
3. Shipper’s Name
4. Purchase Order Number(s)
5. Commodity Description
6. Number of Cartons
7. Number of Pallets
8. Accurate weight and cube of shipment(s)
9. Accurate NMFC Commodity Class

Note: When shipping hazardous materials to Ron Jon Surf Shop, the vendor/supplier must “Prepay” the freight charges. Ron Jon Surf Shop is not responsible for the transportation of such materials and the vendor/supplier should not use Ron Jon Surf Shop’s account numbers for shipping these products.

LTL Carrier Instructions: Ron Jon’s Logistics Department has outlined specific common carriers that should be utilized when shipping to Ron Jon’s distribution center or store location. On the top of the matrix you will see all Ron Jon receiving locations with the States listed on the left hand side. To determine the carrier, follow the row across from the state you are **“shipping from”**, and then locate the column down from the DC or store you are **“shipping to”**. Where the

two meet on the matrix chart is the LTL common carrier to use to ship the product. When shipping to Ron Jon store locations, with the exception of Cocoa Beach, request lift gate at delivery destination on the BOL.

Florida Pallet Rate Program:

When shipping a **single** pallet from a Florida origin point to a Ron Jon Florida destination where Con-Way Freight is the carrier of choice in the matrix, please specify “**Pallet Rate Program**”, on the B.O.L. When shipping multiple pallets to a Ron Jon Florida location, R & L Carriers will be the carrier of choice.

Note: If the common carrier identified in the matrix does not service your location direct, please call the Ron Jon Logistics Department at (321)799-8888 ext. 1005.

See Common Carrier Matrix Attachment I of Routing Guide

D. Truckload Shipments

Shipments that exceed 5,000 pounds, or the commodity fills the allotted pallet space requirements to fill a truck, special routing instructions will be required. Vendors/suppliers must contact Ron Jon’s Logistic Department at (321) 799-8888 ext. 1005.

E. Small Package Shipments

When you are determining whether to ship via UPS Ground Collect instead of an LTL common carrier please use the following weight limit guidelines:

1. Shipments 400lbs. or less (**Maximum of 20 cartons**), ship via UPS Ground Collect on our respective account numbers. Each carton should not weigh more than 70 pounds and each carton should not exceed 130 cubic inches in length and girth combined. **Note: Do not use UPS Freight LTL**
2. Do not add any insurance or handling charges.
3. All shipping labels must be placed on the front of each carton(s).
4. If shipping multiple cartons to Ron Jon Surf Shop distribution center or stores, it is required that the shipping labels reflect the number of total cartons in the order. For example, if shipping 4 cartons total, each shipping label should read as follows: **1 of 4, 2 of 4, 3 of 4 and 4 of 4.**
5. Each Ron Jon distribution center and store has its own UPS account number and should be utilized properly. **UPS account numbers are specified on each of the purchase orders submitted to the vendor/sales representative. Failure to use our account numbers properly will result in a charge-back and administrative fee for each violation. See UPS account numbers listed on pages 13 – 15 in this guide.**
6. When shipping UPS, the **PO# must appear in the Package Reference #1 and/or #2 portion of the label.**

7. Under no circumstances are oversized cartons to be used unless the actual weight of the carton exceeds the dimensional weight. Should the situation arise and multiple oversized cartons are being shipped, please contact Ron Jon's Logistics Department at (321)799-8888 ext. 1005.

Note: Any shipment(s) sent to the wrong distribution center or store location, and Ron Jon Surf Shop incurs special handling and excess freight charges, the vendor/supplier will be subjected to a freight charge-back and administrative fee for each shipment violation.

When shipping hazardous materials to Ron Jon Surf Shop the vendor/supplier must "Prepay" the freight charges. Ron Jon Surf Shop is not responsible for the transportation of such materials and the vendor/supplier should not use Ron Jon Surf Shop's account numbers for shipping such products.

F. Air Freight Shipments

Typically, vendors are not to ship any product via air freight. However, should the situation arise and a Ron Jon buyer has given written approval to ship a specific air freight service level, ship UPS unless the shipment exceeds 100 pounds. If the shipment exceeds 100 pounds, the vendor/supplier must contact Ron Jon's Logistics Department at (321) 799-8888 ext.1005 for routing. Failure to comply could result in a freight chargeback and administrative fee for each violation.

G. International Shipments

Contact Ron Jon's Logistics Department at (321)799-8888 ext. 1005 for special routing instructions.

H. Carton Labeling Requirements

1. Suppliers Name and Address
2. PO Number
3. Merchandise Description
4. Case Pack/Inner Pack
5. Actual Gross Weight/Net Weight
6. UPC
7. Ron Jon Sku Number
8. Quantity of units in each box
9. Cartons should be marked "**Ticketed**" if product is pre-ticketed.
10. Store Number
11. Cartons must be numbered if more than one carton pertaining to the order.
For example: 1 of 4, 2 of 4, 3 of 4 and 4 of 4.
12. Label(s) must appear on outside front of the each carton.

I. Basic Routing Information

When shipping multiple purchase orders with the same start ship dates to the same destination zip code, consolidation should be applied only if the orders are picked and packed on the same day. **NOTE: Under no circumstances are orders to be held to build pallets for shipment consolidation.** For example, if only 3 out of 5 PO's are ready to ship on a given day, but other PO's are scheduled for print, picked and packed that week, then multiple shipments must occur. This allows for a better flow of inventory through the Ron Jon DC and satellite store locations. Any questions concerning multiple PO shipments, please contact Ron Jon's Logistics Department at (321)799-8888 ext. 1005.

III. Required Documentation

Providing complete and precise documentation is a strict requirement of Ron Jon Surf Shop. Proper documentation will help expedite orders through Ron Jon's distribution and store facilities. Any order(s) that arrive without proper documentation will not be processed until the correct paperwork is received.

NOTE: A special handling charge and administrative fee will occur for each order that does not contain paperwork or proper paperwork, i.e. Packing Slip, Pick Ticket, etc.

A. Packing Slip/ Pick Ticket

Ron Jon Surf Shop requires a Packing List or Pick Ticket with each purchase order shipped to a Ron Jon distribution center or store location. The Packing List must be affixed to the front of the lead or master carton. The Packing List or Pick Ticket must include the following information:

1. Name of Shipper and complete address (Origin-Shipping Location, City, State, Zip Code, and Telephone Number).
2. Complete destination address (Include Store #)
3. Completed Purchase order Number
4. Start Ship Date
5. Itemized breakdown of quantities shipped, vendor style #, size, color, and full description.
6. Total number of cartons shipped
7. Packing List number
8. Invoice number
9. Order Date
10. Actual Ship Date (**Not the day the invoice was processed**).

IV Packaging

Under no circumstances should multiple purchase orders be packaged in the same carton. One purchase order shipped per carton(s). No style/color substitutions should be packaged without a Ron Jon buyer's written approval. Failure to comply with these requirements will result in charge backs and administrative fees.

A. Carton Labeling Requirements

1. Suppliers full name & address.
2. Purchase order number on the outside front of the lead/master carton.
3. Complete merchandise description.
4. Case Pack/Inner Pack.
5. Accurate weight per carton.
6. UPC
7. Ron Jon SKU number.
8. Quantity of units shipped per carton.
9. Carton(s) marked as **“Ticketed”** if product is pre-ticketed.
10. Store location number.
11. Cartons must be numbered if more than one box pertaining to the order. For example, 1 of 3, 2 of 3, 3 of 3.
12. Label placement must appear on the outside front of all cartons.

B. Case Pack Requirements

When shipping case packs of a single item/UPC that is pre-ticketed, it is required to list the Ron Jon Sku number, quantity shipped, full item description, color and vendor style number on the outside front of each carton label.

C. Case Dimensions & Weight Guidelines

All packages should measure less than three cubic feet to avoid being shipped as oversized. If the cubic size of the case is 5,184 inches or larger, the UPS service charge will be based on dimensional weight which should be avoided unless the actual weight exceeds the dim weight. Do not ship oversized cartons. Should the situation arise and oversized cartons are necessary, contact Ron Jon Surf Shop Logistic Department at (321) 799-8888 ext. 1005.

Minimum weight per package should be no less than 3 lbs. and the maximum weight per package should not exceed 70 lbs.

D. Fragile products

Breakable items such as glassware, ceramics mugs, ornaments, glass figurines etc. must be protected inside the carton with 1” bubble wrap or another shock absorbing material to withstand small parcel shipping (UPS, FedEx) etc. To avoid damages, **“Fragile”** labels must be placed on the carton(s) or a pre-printed carton(s) with the words fragile on it to increase shipper awareness.

When shipping Surfboards individually or multiple boards in a single carton, they must be wrapped with a minimum of 1” bubble wrap or any other shock absorbing material. Fins laminated into the board must be securely wrapped to avoid penetration into the other boards. The nose and tail must be reinforced to withstand impact. To avoid damages, **“Fragile” and “Handle with Care”** labels

must be placed on the Surfboard carton(s) to promote awareness to the shipper that the contents are of sensitive material.

V. Backorders/Overages/Mis & Pre-Shipments/Substitutions

A. Backorder

1. If Ron Jon Surf Shop cancels a purchase order and a subsequent delivery is made towards the order (Backorder), Ron Jon Surf Shop reserves the right to accept or refuse the delivery.

B. Overages

1. Ron Jon Surf Shop reserves the right to keep, refuse or return any overages or double shipments that occur on a single purchase order. Any excess freight cost and administrative fees associated with these violations will be taken off the vendor/supplier invoice.

C. Mis-Shipments & Pre-Ships

1. If a vendor mis-ships a purchase order to the wrong Ron Jon Surf Shop Distribution Center or store location, Ron Jon Surf Shop reserves the right to forward the shipment to the correct location or refuse it. This infraction will result in a freight charge-back and administrative fee.
2. If a vendor Pre-ships a purchase order to any Ron Jon Surf Shop Distribution Center or store location, Ron Jon Surf Shop reserves the right to refuse the shipment, and the vendor/supplier will be charged back any excess freight cost and administrative fee. All pre-ships must be authorized in writing by the Ron Jon buying department.

D. Substitutions

1. Under no circumstances will a style or color substitution be accepted without written authorization from a Ron Jon's buying department. Any vendor/supplier in violation of product substitution will result in a charge back and administrative fee.

VI. Pre-Pricing Guidelines

Proper placement of the price ticket is critical to Ron Jon Surf Shop. Consistency is imperative when applying all ticket types. Vendors/suppliers must not make exceptions to the ticket placement requirements without written authorization from Ron Jon's buying department.

A. Clothing

1. All t-shirts, tops, dresses, jackets, sweaters, etc. must be priced in the size/care label in the collar. If the garment does not have an attached size/care label due to screen printing application, then the ticket should be affixed in the back of the neck through excess material provided. Under no circumstances is the ticket fastener to penetrate completely through the garment creating damages.
2. All walkshorts, volleys, boardshorts, pants, and skirts should be priced in the size/care label located in the waistband in the back of the garment. If the label is sewn tight to the garment making the ticketing application difficult, the price ticket should be placed in the seam at the waistline located on the left side of the garment.
3. Garments that have belt loops and are of delicate material/fabrics can be priced using a loop fastener, which is an excellent alternative from the standard garment fasteners that involve penetration into the garment or size/care labels.
4. Hats should be priced in the seam on the top of the hat, and should be applied using the hat hook fasteners. Never apply tickets underneath the hat for security purposes.
5. Bikinis should be priced in the permanent size/care label in the waistband. If the size/care label is not an option, then the item should be priced in the seam of the bikini top on the left side.

Note: Under no circumstances should any of the price tickets be applied directly into the garment body causing damages to the material/fabric.

B. Accessories

1. Price tickets for sunglasses should be applied to the vendors hang tag located in the center of the bridge.
2. Purses, beach bags, duffle bags, back packs, hip sacks, etc. should be priced ticketed with a loop fastener where it cannot be removed without assistance.
3. Pins, jewelry, etc. should be priced with a small label that can display our 8-digit interleave 2 of 5 barcode.
4. All plush products are ticketed in the care/country of origin label sewn in the seam of the product.

C. Hardgoods/Souvenirs

1. Cups, glassware, ashtrays, Frisbees, surfboard wax, videos, boxed toys, pens, key chains, etc. should be ticketed on the bottom of the item.
2. Surfboards should be priced on the top of the board a quarter of the way down from the nose of the board.
3. Board bags should be priced using a loop fastener unless a label can be affixed to the vendor hang tag.

D. Supported Barcodes

Ron Jon Surf Shop utilizes an **Interleave 2 of 5** barcode that our Point of Sale (POS) scanners recognize. This is a unique 16 digit number that requires the zero (0) to print at the end of the barcode and not the beginning.

If a vendor/supplier wants to utilize a specific Universal Product Code (UPC), in place of the Interleave 2 of 5, please contact the buyer to coordinate the change in price ticket guidelines.

Note: If the vendor/supplier is not set-up to print price tickets, consult with the buyer to have tickets provided per purchase order. If tickets are provided by Ron Jon Surf Shop and the vendor/supplier does not apply them to the product, a charge-back occurs, and deducted off the most current invoice.

VII. Vendor Charge-Backs

Any excess freight charges or accessorial charges incurred as a result of the infractions mentioned below will be deducted from the most current vendor invoice. In addition to the freight charge and accessorial deduction, an administrative fee will be deducted per infraction from the amount outlined below.

Routing Sections (A thru I)

1. Failure to follow all Routing Instructions **\$50 Admin/Handling Fee**
2. Failure to follow Bill of Lading Instructions **\$50 Admin/Handling Fee**

B. Required Documentation Section

1. Failure to comply with all guidelines. **\$50 Admin/Handling Fee**

C. Packaging Requirement Sections (A thru D)

1. Failure to comply with all guidelines. **\$50 Admin/Handling Fee**

D. Backorders/Overages/Mis & Pre-Shipments/Substitutions (A thru D)

1. Failure to comply with all guidelines. **\$50 Admin. Fee**

E. Pre-Pricing Guidelines Sections (A thru D)

1. Ron Jon supplied price tickets not applied to product per purchase order. **\$.15/item**
\$50 Handling Fee

Attachment II

Ron Jon Surf Shop UPS Account Numbers

Store: 900, 001, 002

Ron Jon Surf Shop of Fla., Inc.
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Acct. # 371900

Store: 003 (Internet)

Ron Jon Surf Gear
3850 S. Banana River Blvd
Cocoa Beach, FL 32931

Acct. # 6986E4

Store: 008

Ron Jon Surf Shop # 08008
901 Central Ave
Shipbottom, NJ 08008

Acct. # 4X1441

Store: 010 (Direct Shipments Only)

Ron Jon Sawgrass Mills
2602 Sawgrass Mills Circle
Suite 1207A
Sunrise, FL 33323

Acct. # 8X192X

Store: 011

Ron Jon Orlando
5160 International Dr
Orlando, FL 32819

Acct. # A1403E

Store: 014 (Direct Shipments Only)

Ron Jon Key West
503 Front Street
Key West, FL 33040

Acct. # 0389F2

Store: 014; 914 (Processing Center)

**Ron Jon Key West
3850 S Banana River Blvd
Cocoa Beach, FL 32931**

Acct. # 3W5Y78

Attachment II
Ron Jon Surf Shop
UPS Account Numbers

Store: 015 (Direct Shipments Only) **Acct. # 4R303E**
Ron Jon Myrtle Beach
4810 Hwy 17 S
North Myrtle Beach, SC 29582

Store: 915 (Processing Center) **Acct. # 3V918A**
Ron Jon-Myrtle Beach
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 016 (Direct Shipments Only) **Acct. # 4R3031**
Ron Jon Fort Myers
10045 Gulf Center Dr
RM #E-100
Fort Myers, FL 33913

Store: 017 (Direct Shipments Only) **Acct. # 67XR73**
Ron Jon Panama City Beach
16150 Front Beach RD
Panama City Beach, FL 32413

Store: 917 (Processing Center) **Acct. # 67XR73**
Ron Jon Panama City Beach Warehouse **(Ship 3rd Party on this Account #)**
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 018 (Direct Shipments Only) **Acct. # A5W252**
Ron Jon Broadway MB, LLC
1308 Celebrity Circle, #R-9
Myrtle Beach, SC 29577

Store: 918 (Processing Center) **Acct. # A5W262**
Ron Jon Broadway MB, LLC
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 19 (Direct Shipments Only) **Acct. # 67A997**
Ron Jon Clearwater Beach
377 Mandalay Avenue
Clearwater, FL 33767

**Attachment II
Ron Jon Surf Shop
UPS Account Numbers**

Store: 19; 919 (Processing Center) **Acct. # 67A996**
Ron Jon Clearwater Beach
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 920 (Processing Center) **Acct. # A9W869**
Ron Jon Ocean City LLC
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 20 (Direct Shipments Only) **Acct. # A90V87**
Ron Jon Ocean City LLC
6701 Coastal Highway
Ocean City, MD 21842

Store: 21(Direct Shipments Only) **Acct. # 9A544Y**
Ron Jon Orange Beach
22723 Perdido Beach Blvd
Orange Beach, Alabama 36561

Store: 921(Processing Center) **Acct. # 9A546F**
Ron Jon Orange Beach
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 22(Processing Center) **Acct. #1A0167**
Ron Jon Florida Mall
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Store: 22(Direct Shipments Only) **Acct. #1A016V**
Ron Jon Florida Mall
8001 South Orange Blossom Trail
Orlando, FL 32809

Store: 922 **Acct. # 2R0088**
Ron Jon Florida Mall
5160 International Dr
Orlando, FL 32819

R & J Advertising
3850 S Banana River Blvd
Cocoa Beach, FL 32931

Acct. # 31W9F4