



# FOB Delivery Terms



## Contents

Delivery terms.....	3
Mode of dispatch for delivery condition FOB:.....	3
DOCUMENTS.....	4
TRANSPORT DOCUMENTS .....	5
CUSTOMS DOCUMENTS .....	6
SHIPPING DOCUMENT .....	7
TERMS ON SAFETY AND TRASPORTATION .....	8
Securing cargo .....	8
Transportation of dangerous goods / safety data sheet .....	8
Safety data sheet .....	8
IMO declaration:.....	9
CONTAINER DELIVERIES.....	9
Allocation of containers.....	9
Stowage in the container.....	9
Non-compliance costs / Chargeback .....	10



## Delivery terms

Please refer to: [italy.supplychain@qvc.com](mailto:italy.supplychain@qvc.com)

### Incoterm FOB (= Free On Board) designated port of shipment:

QVC delivery term for all sea freight:

#### Responsibilities of QVC:

Organisation of the main carriage and carriage to final destination, as well as payment of the costs incurred.

#### Responsibilities of the vendor:

- stowage/loading of the goods, organisation of the pre-carriage process, payment of the costs incurred (transportation to the port, port dues, etc.)
- provision of all necessary export and customs documents in good time to the freight forwarder and to QVC by the vendor
- control of the condition of the mode of transport provided (container) Duty Seller  
Buyer (QVC)

Loading on Truck / Container	Responsible	No Duty
Export declaration	Responsible	No Duty
Transport to the export port	Responsible	No Duty
Unloading and fees at the export port	Responsible	No Duty
Transport to the import port	No Duty	Responsible
Unloading and fees at the import port	No Duty	Responsible
Transport to Consignee	No Duty	Responsible
Custom fee	No Duty	Responsible
Tax fee	No Duty	Responsible

### Mode of dispatch for delivery condition FOB:



Product group	Delivery conditions
Hardgoods	<b>Loose</b> delivery of the goods (in boxes) in the truck / container - LCL shipment from USA are <u>pallettised</u>
Jewelry	<b>Loose</b> delivery of the goods (in boxes) in the truck / container

## DOCUMENTS

### TRANSPORT DOCUMENTS, CUSTOMS DOCUMENTS, SHIPPING DOCUMENT

We require all vendors shipping by **Sea, Air, and Road** (including **DAP** shipments) to pre-notify **QVC, Expeditors** and preferred **Freight Forwarder** in advance of the shipment arriving at the port of destination by providing the appropriate finalized commercial documentation prior to the goods departing the country of export as per the mentioned service levels set out below and in accordance with the mandatory requirements of the Purchase Order contract by contacting the following:

**QVC:** [italy.supplychain@qvc.com](mailto:italy.supplychain@qvc.com)

**Expeditors:** [Mil-qvc@expeditors.com](mailto:Mil-qvc@expeditors.com)

+ Freight Forwarder email address

Please ensure the shipment information included in the subject header of the pre-notification email is clear and includes the following information:

- 1) Expected time of arrival
- 2) Purchase Order Number (if multiple PO's use one for reference)
- 3) Delivery Terms & Place of Delivery

### Service levels for pre-notification by mode of transport

**Air/Road:** all commercial documentation must be emailed to the above contacts at least **5 to 7 days** prior to the goods arriving at **PLACE** of destination.

**Sea:** all commercial documentation must be emailed to the above contacts at least **10 to 14 days** prior to the goods arriving at the port of destination.

### Failure to provide correct commercial documentation

QVC reserves the right to apply a chargeback in accordance with our vendor policy relating to commercial documentation non-conformance, including origin certificates, and any associated incurred costs, such as demurrage or detention. In the event that commercial documentation is not provided within the above service levels set out or information contained within the commercial invoice is missing or inaccurate, a chargeback of **€250** per invoice will be applied, as well as any irrecoverable duty paid related preferential shipments.

Please refer to section [TBC] for chargeback criteria.

Queries related to freight and customs documentations can be sent to [Italy.SupplyChain@qvc.com](mailto:Italy.SupplyChain@qvc.com).

Dispatch address for original customs documentation:

QVC Italia S.R.L  
Geodis Logistic S.p.A  
Via Dogana Po, 2/A – building H



29015 Castel San Giovanni (PC) Italy  
**c.a Supply Chain Dept.**

**Issued to:**

QVC Italia srl Via Guzzina 18  
 20861 Brugherio (MB) Italy

**TRANSPORT DOCUMENTS**

Incoterm (freight term) **AND PLACE OF DELIVERY**

The following transport documents must be enclosed with each shipment, depend-ing on the mode and means of transport:

<u>Transport docu-ments</u>	<u>Air freight</u>	<u>Sea freight</u>	<u>Overland transport</u>
Europe	AWB	-	CMR
Italy	-	-	<u>bill of lading</u>
<u>Overseas</u>	AWB	<u>Seawaybill</u>	-

Each transport document must contain the information listed below:

- Delivery date
- Incoterm (freight term)
- Number of pallets or number of packages
- Number of boxes per pallet
- Volume in cbm (and/or weight in kg)

In order to avoid demurrage and detention costs for vendors, QVC has included a non-negotiable bill of lading (Express B/L/Seaway Bill) in the letter of credit terms for compliance with the letter of credit terms which must be sent to the bank with the other documents designated in the letter of credit.

If an original bill of lading was made out in exceptional cases, this must contain the following information.

**Special characteristics of the transport documents that must be used for ocean freight shipments**

**a) Bill of lading Italy using FCR for POs with L/C**

The bill of lading should only be drawn up for letter of credit (L/C) transactions. It is used to ensure that the vendor is paid for the goods.

In other words, QVC cannot dispose of the goods until the original bill of lading has been submitted to the shipping company by the forwarding freight carrier. The document dispatch must be organised by the vendor (or the freight carrier if he has been commissioned to do this) as follows:

- 1/3 Original bill of lading must remain with the vendor for security
- 1/3 Original bill of lading must be sent to the Wells Fargo Bank – Hong Kong



1/3 Original bill of lading must be sent to the following address:

QVC Italia S.R.L  
Geodis Logistics S.p.A.  
attn. Supply Chain Department Via Dogana Po, 2/A  
29015 Castel San Giovanni Italy

If 1/3 of the BL is not provided to QVC at least three (3) days prior to the arrival of the vessel, any demurrage and detention costs will be charged to the vendor.

**b) Seawaybill**

The seawaybill (also referred to as express-B/L) must be used for all payment conditions, with the exception of letter of credit transactions.

The seawaybill is a non-negotiable transport document and does not need to be submitted to the importer as an original document to obtain the release of the containers in the harbour.

This transport document should only be selected by the vendor if nothing to the contrary has been agreed in the letter of credit conditions.

## **CUSTOMS DOCUMENTS**

All import shipments liable to customs duty must contain the necessary documents, including preference and movement certificates required to clear customs, and must be submitted to the [Italy.SupplyChain@qvc.com](mailto:Italy.SupplyChain@qvc.com) as per the stated service levels in **section 4**. In case of Bill of Lading and customs preference documents original are needed. The customs documents for Italy must be issued to QVC Italia S.R.L (see address stated in section 4).

**Customs documents may include the following:**

- 1) Commercial invoice
- 2) Customs Preference Documents based on **country of origin** (certificate of origin)
- 3) Packing list

**Information requirements for drawing up the commercial invoice:**

- Invoice number
- Invoice date
- Country of origin
- Incoterm (terms of shipment)
- Place of Delivery
- QVC purchase order number/s
- Complete QVC item number/s (with colour, size)
- Description of the QVC item/s
- Material composition (proportional specification in percent)
- Total delivery quantity in units
- Delivery quantity per QVC item number in units
- Unit price per item
- Total price per QVC item number
- Total invoice amount excl. VAT (net)



- Origin Declarations e.g. CETA or REX (if applicable)
- Type of mussel species i.e. CITES (if applicable)
- Anti-Dumping Statement (if applicable)
- Weight

Note: an example template of a commercial invoice can be provided on request by contacting the Supply Chain team [Italy.SupplyChain@qvc.com](mailto:Italy.SupplyChain@qvc.com)

## SHIPPING DOCUMENT

In addition to the customs documents and transport documents, the following documents must be included with each delivery:

### **Delivery note:**

The delivery note (see the sample below) explains the content of the delivery and must include the following information:

- Delivery date
- QVC PO number
- Vendor number
- Complete QVC item number (with colour, size)
- Delivery quantity per QVC item number in units
- Description of the QVC item
- Total delivery quantity in units
- where applicable, indication of the expiry date and/or dangerous goods

The information on the delivery note must be entered in Italian or English, as well as the national language. One copy of the delivery note must accompany the bill of lading and the driver must submit this copy to Goods Receiving.

The second copy of the delivery note must be in a shipping pouch fastened on the first box that is visible after opening the container (if the shipment consists of loose boxes), or fastened on the first pallet that is visible after opening the truck (bonded on the wrapping foil).

If the delivery note contains different PO numbers, each item number must clearly and uniquely assigned to a PO number.

Two delivery notes must always be made out per truck/container, regardless of whether it is a partial delivery or a complete delivery. If the delivery for an order consists of several trucks/containers, two delivery notes must also be made out per truck/container. Partial deliveries must be noted on the delivery note, as must be a precise list of article nos., PO number, product designation and quantity of the QVC article number.



## TERMS ON SAFETY AND TRANSPORTATION

### Securing cargo

The vendor is responsible for proper, safe loading. This applies not only as a requirement for transportation, but also serves to ensure hazard-free unloading in QVC's Distribution Centre.

It must be ensured that QVC's goods can be directly accessed for unloading without third-party goods needing to be moved.

If improper loading causes damage or additional expense for unloading, QVC reserves the right to charge the costs incurred to the vendor. It is the responsibility of the vendor to ensure that the goods are safely loaded in accordance with QVC's requirements: any goods deemed unsafe for unloading will be rejected and the vendor charged 250 Euro.

### Transportation of dangerous goods / safety data sheet

Dangerous goods are subject to special regulations with regard to packing and transportation. The vendor must comply with the relevant regulations when packaging, labelling and / or transporting dangerous goods, and these apply regardless of the agreed delivery term.

ADR European agreement concerning the international road transport of dangerous goods

RID Ordinance concerning the international rail transport of dangerous goods

IMDG codes International Maritime Dangerous Goods Codes

IATA codes International Air Transport Association Codes

The vendor is furthermore obliged to provide all relevant documents for the carriage of dangerous goods (safety data sheet, IMO declaration)

**!Please refer to the specific packaging & labelling category manual!**

### Safety data sheet

On the basis of the Italian Ordinance on Hazardous Substances and Directives 67/548/EEC, 91/155/EEC, 1999/45/EC and 2001/58/EC, QVC requires a safety data sheet made out in Italy in accordance with the above guidelines for all products containing dangerous substances or substances which may cause a hazard to human beings, environment, and nature during their use, transportation or disposal.

We also require a safety data sheet or an equivalent technical product description for products for which there is an exemption, such as cosmetics and articles of daily use, clearly disclosing any dangerous substances contained, risk phrases, first-aid measures, transportation regulation, storage classes, categorization by dangerous substance and the requirements for waste disposal in accordance with the above guidelines.

The documents are to be provided promptly to Quality Assurance (address list see Annex 2) with the first sample in electronic form as a PDF document.

The documents must correspond to the version that is currently valid.



### IMO declaration:

The IMO declaration (transport document for dangerous goods by sea freight) is to be issued to the responsible sea cargo forwarding agent before the goods are shipped

### CONTAINER DELIVERIES

#### Allocation of containers

Since the respective allocation of containers is effected at the instruction of the vendor with carriage under Incoterm FOB and EXW, the vendor is also responsible for economic loading.

If the container volume is not appropriately filled in case of FCL shipments (Full Container Load), QVC reserves the right to charge the additional costs incurred to the vendor.

#### Stowage in the container

Since responsibility for stowage in the container is incumbent on the vendor, the latter must ensure that the following conditions are complied with:

- sorting by PO number
- sorting by article number, colour and size (matrix)
- securing cargo

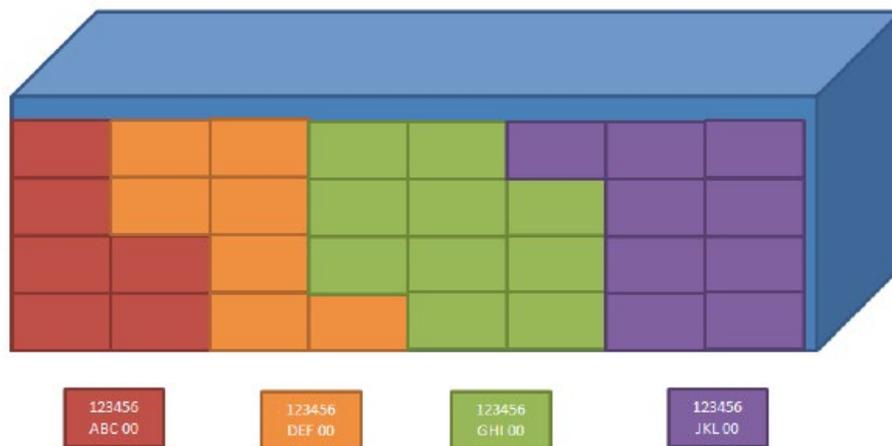


Figure: Stowage in the container



## Non-compliance costs / Chargeback

Reworking which QVC needs to carry out because a delivery is not of the requisite standard will be charged using the list of costs set out below.

The amounts below are net amounts, not including the statutory rate of turnover tax.  
QVC reserves the right with regard to the following points:

- to appoint an external company to carry out any reworking that is needed as a result of goods having been delivered which were not of the requisite standard,
- to carry out the reworking without prior consultation in special cases,
- furthermore, to implement the necessary reworking or to charge the additional process effort.

NOTE: Additional costs caused by logistical defects will also be charged if the goods are subsequently rejected for quality-related reasons.

The reworking costs will be charged using a chargeback form.

Category	No.	Reason for compensation	Detailed information, see LHL section:	Compensation/ chargeback
----------	-----	-------------------------	--	--------------------------

Incoming goods and transportation And customs Procedures	1.1	Failure to book warehouse delivery prior to required booking date As per PO instruction	A.2.1.	QVC 250.00 € flat-rate
	1.2	Booking of shipment after original required LDS (Last Date to Ship) or Delivery after PO due date, as per vendor contract / PO.	General Purchasing Terms of QVC Item 4.4	Costs per PO: 0.5 % of the value of the goods per day of delay, up to a maximum of 20% of the value of the order
	1.3	Failure to deliver in agreed timeslot	A.2.1.	QVC 250.00 € flat-rate
	1.4	Failure to comply with QVC freight instruction (eg bill of lading)	A.2.	QVC 250.00 € flat-rate + additional costs incurred
	1.5	Failure to provide or complete commercial documentation correctly, including invoices, preference certification, forms and customs statements / origin declarations		QVC 250.00 € flat-rate + Duty Charges



	<b>1.6</b>	Failure to provide an unambiguous product description resulting in customs delay or additional cost of import duties		QVC 250.00 € flat-rate + Duty Charges
--	------------	--	--	---------------------------------------

<b>Delivery</b>	<b>2.1</b>	Received product does not match QA sample / spec card	A.3.5/B.1/C.1/D.1.	QVC 50.00 € flat-rate
	<b>2.2</b>	Unauthorised partial shipment (over 5% variance on unit amount)	A.5.3.	QVC 250.00 € flat-rate + freight costs incurred
	<b>2.3</b>	Unauthorised over shipments (over 5% variance on unit amount)	A.5.3.	QVC 250.00 € flat-rate + freight costs incurred
	<b>2.4</b>	Delivery unsafe for unloading (eg Missing tie down / cargo securing)	A.3.1/A.3.3.	QVC 250.00 € flat-rate
	<b>2.5</b>	Failure to include complete and accurate legible delivery documents	A.2.3	QVC 250.00 € flat-rate
	<b>2.6</b>	Non QVC product preventing unloading	A.3.1.	QVC 250.00 € flat-rate
	<b>2.7</b>			QVC 250.00 € flat-rate

<b>Articles and packaging</b>	<b>3.1</b>	Missing or incorrect Item (product) / master carton barcode labelling	B.4/C.4/D.3.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs
	<b>3.2</b>	Overbagging (put the items into a shippable polybag) of Incorrect or faulty product packaging		QVC 250.00 € flat-rate + 3PL manpower costs + material costs
	<b>3.3</b>	Overboxing (put the items into a shippable product carton) of Incorrect or faulty product packaging	B.2/C.2/D.2.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs

<b>Articles and packaging</b>	<b>3.4</b>	100 % inspection (Logistical requirements, eg mismatch between delivery note / quantity information on the master carton)	A.4.2.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs
	<b>3.5</b>	Addition to contents Adding batteries to contents Removal of incorrect part/item Addition and removal to contents	A.4.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs
		Sortation of product (after QC rejection, requirements defined by QC)		QVC 250.00 € flat-rate + 3PL manpower costs + material costs
	<b>3.7</b>	Cartons not securely sealed	B.2.3/C.2.3/D.2.3.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs



	3.8	Garment on hangers: Delivery of hanging goods is not allowed.	C.5.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs
	3.9	Incorrect master carton packaging	B.2/B.3/C.2/ C.3/D.2.	QVC 250.00 € flat-rate + 3PL manpower costs + material costs

Pallets	4.1	Mixed pallets not according to specific guidelines	A.3.4.	QVC 250.00 € flat-rate + manpower
	4.2	Repalletisation (over height / weight / overhang / wrong pallet / broken pallet / damaged pallet / extra pallets)	A.3.4.	QVC 50.00 € flat-rate + manpower
	4.3	Incorrect Pallet wrapping (Transparent foil / foil on top missing / foil lower than pallet / lose end of foil / foil knots on pallets / cardboard corners / straps around the pallet)	A.3.4.	QVC 250.00 € flat-rate + manpower
	4.4	Missed pallet exchange upon delivery or upon product returns (PRN / CRTV / RTV)	A.3.4.	QVC250.00 € flat-rate

Returns	5.1	Storage costs due to refusing the return of goods (RTV / CRTV / PRN)	A.4.1/A.5.1/A.5.4.	5.00 € per pallet per calendar week started + QVC 250.00 € flat-rate
	5.2	RTV / CRTV / PRN for disposal of goods (RTV / CRTV / PRN)	A.3.6. + A.5.4.	QVC 250.00 € flat-rate + manpower

**NOTE:** If the vendor’s delivery does not correspond to the released sample of the first piece inspection, the goods will be rejected and sent back to the vendor at the vendor’s expense, or any required rework will be billed to the vendor. Changes to the product / product packaging should only be made after consultation with and written consent from the QA Department. If goods are shipped to the Distribution Centre without prior consent, the delivery will also be refused and sent back to the vendor at vendor’s expense. All quality requirements imposed on the QVC items are described in the quality manuals. The manuals are available on the QVC Vendor Portal