

DESTINATION MATERNITY. CORPORATION

Vers. 3/22/19

I. DOCUMENT CHECKLIST

The party identified below as the Vendor ("**Vendor**" or "**Supplier**") hereby acknowledges it has received Destination Maternity Corporation ("**Destination Maternity**" or "**DM**" or "**Buyer**") Vendor Manual and Certification Package (the "Manual") and hereby agree to the terms and conditions contained therein, along with any other applicable documentation, including but not limited to Destination Maternity's Purchase Order Terms and Conditions.

Vendors are required to complete the following sections of this Manual and have each section signed by an authorized representative.

Document Section

- Vendor Profile
- International Shipping Acknowledgement
- Country of Origin Verification
- Purchase Order Terms and Conditions
- Non-Compliance Policy & Matrix
- Code of Conduct

External Documents Required:

- W-9 Tax Form

By executing the below, Vendor hereby accepts and agrees all terms contained within this Manual. Vendor agrees to provide information as requested by Destination Maternity. For each individual manufacturing location involved in the production of DM merchandise. If any facilities are added, Vendor shall provide the required documents and certifications contained within this Manual prior to beginning manufacturing.

The above is hereby agreed to:

Vendor Name: _____

Authorized Representatives Name: _____

Title: _____ Signature or Chop: _____

Date: _____

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II. VENDOR PROFILE

Vendor Profile			
Seller/Vendor Name: (The actual seller of the goods to whom the purchase order is written)			
Address:			
Nature of Business: Example: i.e.; apparel manufacturer			
Country:		Location:	
Tel:		Fax:	
Contact Name:		Contact E-mail:	
Factory Country of Origin: (The actual manufacturer of the goods) <i>* If more than one, List all Factories country of origin</i>			
Payment Terms (Check box that applies)	FCA Supplier – Net 60: <div style="text-align: center;"><input type="checkbox"/></div>	DDP Supplier - Net 30: <div style="text-align: center;"><input type="checkbox"/></div>	

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Brand: (Check all that apply)	Motherhood <input type="checkbox"/>	Pea in The Pod <input type="checkbox"/>	Collection <input type="checkbox"/>	Jessica Simpson <input type="checkbox"/>
FCA Vendors: City Sea Shipments			DDP Vendors: FCA Domestic City: (where DM Takes possession of freight)	
FCA Vendors: City Air Shipments				
E-mail address for Purchase Order:			E-mail address for Price Ticket Data	
Do you Ship to Multiple Locations: Check box that applies. (If YES list locations in the box provided)	NO <input type="checkbox"/>	YES <input type="checkbox"/>	LOCATIONS:	

The above is Certified By:

Vendor:

Initial Here: _____



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III. ACKNOWLEDGEMENT REGARDING INTERNATIONAL SHIPPING

The party identified below as "Vendor" (the "**Vendor**") hereby acknowledges and agrees that the products purchased from Vendor by Destination Maternity Corporation and/or one of its subsidiaries or affiliates (the "**Buyer**"), pursuant to the Purchase Order Terms and Conditions as executed by Vendor, may be shipped by Buyer to any of Buyer's stores, licensed departments or retail sales locations anywhere in the world to be offered for sale in such stores, licensed departments or retail sales locations.

The Vendor, intending to be legally bound, has signed this Consent on the date set forth below.

The above is Certified By:

Vendor:

Initial Here: _____

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IV. COUNTRY OF ORIGIN VERIFICATION

Destination Maternity is committed to identifying their suppliers and knowing the origin of goods manufactured for sale in our retail locations. Vendors must supply truthful information regarding the location of where each order is produced, and each facility used in the production of goods. Any falsification of country of origin will cause immediate termination of any current or future orders with DM. Substantiating production and accounting documentation must match Purchase Order for proof of country of origin and documentation must be made available to Destination Maternity or customs authorities upon request.

The above is Certified By:

Vendor:

Initial Here: _____



V. PURCHASE ORDER TERMS AND CONDITIONS

The party identified below as "Vendor" (the "Vendor") hereby agrees that the Purchase Order Terms and Conditions, which shall apply to any and all transactions between Vendor and Destination Maternity and/or one of its subsidiaries or affiliates (the "Buyer"). The Vendor, intending to be legally bound, has signed this Agreement on the date set forth below.

The following terms and conditions shall apply to transaction(s) between the parties, including those described in applicable purchase order(s) between Destination Maternity Corporation and/or one of its subsidiaries or affiliates ("**Buyer**") and the entity shown as the Vendor thereon. Whenever a term defined by the New Jersey Uniform Commercial Code ("**UCC**") is used herein, the definition contained in the UCC shall control. As used herein, the term "**Purchase Order**" shall mean these Purchase Order Terms and Conditions together with any purchase order issued by Buyer to Vendor detailing specific order details and other information.

1. **ACCEPTANCE.** A Purchase Order is not an acceptance of any offer to sell but is an offer to purchase. A Purchase Order shall constitute no more than Buyer's offer to purchase goods from Vendor in accordance with these Purchase Order Terms and Conditions and any additional terms and conditions expressly set forth or incorporated by express reference on the Purchase Order or herein, including, without limitation, the Vendor Manual (the "**Vendor Manual**") in effect and as modified from time to time by the Buyer (current versions with updates will be posted on the Internet at <http://wwot.destcorp.com>) (collectively, "**Terms and Conditions**"). When Vendor accepts a Purchase Order, the Purchase Order (together with these terms and conditions) between the parties. Acceptance of this Purchase Order is expressly limited to these terms and conditions. Any terms and conditions proposed by the Vendor in the Vendor's quotation, invitation, acceptance, acknowledgement, invoice, transmittal or any other document which is different from, conflict with or add to these terms and conditions shall be deemed to materially alter the terms and conditions and are hereby objected to and rejected by Buyer. Acceptance of this Purchase Order, including acceptance of these terms and conditions shall occur upon the earliest occurrence of any of the following events: (i) receipt by Buyer of written acknowledgement that Vendor has accepted this Purchase Order, or (ii) receipt by Buyer of notification that Vendor has commenced performance hereunder, or (iii) tender or purported tender by Vendor of conforming goods and/or services. All dollar amounts on Purchase Orders and as used herein are in United States Dollars unless explicitly stated otherwise. For Vendor's providing services for the Buyer's "Oh Baby" business, the "Oh Baby Vendor Manual" is considered the "Vendor Manual" hereunder. Vendor may not cut goods under this Purchase Order unless Buyer has provided written approval of a prototype provided by Vendor. Goods cut by Vendor prior to Buyer's approval are at the Vendor's sole risk and expense.

2. **CHANGES.** No change shall be undertaken except upon express written authorization of Buyer. Buyer may at any time, by written notice, make changes within the general scope of this Purchase

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Order in the specifications, designs, drawings, packaging, methods of shipment, quantities, place of delivery or delivery schedules. If any such change causes an increase or decrease in the costs of, or the time required for Vendor's performance, an equitable adjustment shall be made in the price or delivery schedule, or both, provided a written request for such an adjustment shall be made to Buyer within ten business days from the date of Vendor's receipt of notice making the change and this Purchase Order shall be modified accordingly by written change order. Nothing contained herein shall relieve the Vendor from proceeding, without delay, to perform this Purchase Order, as changed.

3. QUALITY, PACKING, TICKETING AND DELIVERY. Goods must be of the appropriate quality, packed, ticketed and shipped in accordance with the terms and conditions contained in the Vendor Manual. The time of delivery is of the essence, however, Buyer has the right to request Vendor to delay or accelerate any particular shipment, and Vendor shall use commercially reasonable best efforts to accommodate any such request. If a tender of conforming goods is not made by the scheduled delivery date, Vendor shall have no right to make a later conforming tender. Vendor shall bear the risk of loss to the goods purchased hereunder until received and accepted by Buyer. Unless designated otherwise on the face of this Purchase Order by Buyer, all goods ordered hereunder must be shipped FCA Point of Destination to Buyer's retail stores or its distribution center as designated on the face of this Purchase Order by Buyer.

4. WARRANTIES. Vendor warrants that all goods or services furnished hereunder (i) will conform to applicable specifications and instruction, including those specified in the then current Vendor Manual, drawings, data and samples, (ii) will be merchantable, (iii) will be of good material and workmanship and free from defects, (iv) will be fit and sufficient for the purposes intended, if such intent is known to Vendor, (v) will be free from all liens and other, encumbrances, and (vi) will not be designed, manufactured or otherwise produced in violation of any patent, trademark, copyright, trade secret or other intellectual property right existing anywhere in the world. In addition, Vendor represents and warrants that (i) all materials or Products delivered hereunder to be of a merchantable quality, fit for their intended purpose, free from defects in design, workmanship, and materials, and in strict conformity with any specifications, drawing, samples or other description furnished or specified by Buyer as part of the PO or contained in any of the Seller's marketing, advertising or other materials, and (ii) all materials or Products delivered hereunder shall satisfy current governmental safety constraints for toxic and hazardous substances, as well as all environmental considerations applicable to the country of manufacture and sale. Seller further warrants that (i) it will at all times conduct itself in a legal and ethical manner, avoid conflicts of interests, and provide full, fair, accurate, timely and understandable disclosure, and (ii) it provides and maintains a safe and healthy workplace in accordance with Destination Maternity Code of Conduct, applicable laws and regulations, and (iii) operates its business and facilities in accordance with applicable environmental standards, and (iv) it and the Products it provides hereunder shall comply with all applicable federal, state, provincial and local laws, statutes, rules, acts, regulations, orders and standards (in effect now or in the future and as updated or amended from time to time), including but not limited to The Consumer Product Safety Improvement Act of

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2008, as amended, or as interpreted by the Consumer Product Safety Commission, The Lacey Act, California's Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), The State of California Transparency in Supply Chains Act of 2010, and Toxics in Packaging (formerly CONEG), as adopted in certain of the United States, applicable to the provision of Products, as they relate to the manufacture, sale, packaging, labeling, handling and transportation of the Products, including those controlling the constituent make-up of the Products, and provision of the services hereunder. Further, Seller warrants that it will timely supply all information needed by Buyer to respond to Buyer's customers' requests for compliance certification as well as information needed for Buyer to achieve or remain in compliance with any applicable law, statutes, rules, acts, regulations, orders and standards (in effect now or in the future and as updated or amended from time to time), including but not limited to the Conflict Minerals Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted on July 21, 2010. These warranties are in addition to all other warranties, expressed or implied, and survive acceptance of and payment for any and all goods or services ordered, and the warranties run to Buyer, its successors, assigns, customers and users of its products.

That it shall not utilize, nor allow any other third party to utilize, any so called "Conflict Minerals" (such as gold, columbite-tantalite, cassiterite, and wolframite (and their respective metal derivatives, Gold, Tantalum, Tin, and Tungsten), as defined in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (as amended from time to time and including rules and regulations thereunder, "**Dodd-Frank**"), which are sourced from "Covered Countries" (such as, without limitation, the Democratic Republic of Congo, Angola, Burundi, the Central African Republic, The Republic of Congo, Uganda, Rwanda, Sudan (South Sudan), Tanzania and Zambia, also as defined in Dodd-Frank) in any goods or components of goods, or in the production of such goods or components of goods, manufactured or produced by Vendor for Buyer under the Purchase Order or otherwise. Vendor shall conduct appropriate due diligence of its supply chain to ensure compliance with the above requirements concerning Conflict Minerals. Annually, and, at any time during a calendar year, if any changes are made to the products supplied to Buyer, including changes in the raw materials used in existing products or if new products are supplied to Buyer, Vendor shall provide to Buyer documentation, in the form requested by Buyer, of Vendor's compliance with Buyer's Conflict Minerals Policy, including providing documentation concerning Conflict Minerals from Vendor's suppliers. These warranties are in addition to all other warranties, expressed or implied, and survive acceptance of and payment for any and all goods or services ordered, and the warranties run to Buyer, its successors, assigns, customers and users of its products.

5. INSPECTION AND TESTS. All goods ordered hereunder, and Vendor processes will be subject to inspection and/or testing by Buyer at all reasonable times and places, including Vendor's facilities. It is expressly agreed that inspections and/or payments prior to, at the time of or after delivery do not constitute a final acceptance of the goods or services. Buyer's inspection, discovery of any breach of warranty, failure to make an inspection or failure to discover any breach of warranty does not constitute a waiver of any of Buyer's rights or remedies whatsoever

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6. **CONFIDENTIALITY.** All information, drawings, know-how, methods, marketing strategies, specifications, prices, costs, business plans, purchasing data, research and development data, customer lists and/or information, and other data, whether written or oral, (collectively, "Confidential Information") furnished by Buyer to Vendor, or otherwise learned by Vendor as a result of its vendor relationship with Buyer, is proprietary to Buyer, and Vendor agrees to keep all such Confidential Information confidential and use such Confidential Information only as necessary in order to fulfill Vendor's obligations to Buyer under Purchase Orders placed by Buyer with Vendor. Vendor further agrees to return to Buyer all Confidential Information, including all copies thereof made by or for Vendor, upon Buyer's request. Excess inventory of goods ordered hereunder made by or for Vendor (and not purchased by Buyer) with the use of Confidential Information, or including Buyer's trademarks or trade names, or trademarks and trade names of Buyer's customers, shall be destroyed by Vendor at Vendor's expense. Vendor shall not in any manner advertise or publish the fact that it has furnished or contracted to furnish to Buyer the goods or services herein mentioned without prior written consent of Buyer. Vendor agrees that all information furnished or disclosed to Buyer by Vendor in connection with this Purchase Order is furnished or disclosed as part of the consideration for this Purchase Order. Notwithstanding the foregoing, if Vendor clearly identifies, in writing, information that Vendor considers to be confidential or proprietary, Buyer will protect and not disclose such information, except for information: (a) which is already known to Buyer; or (b) which is or becomes generally available to the public through no fault of Buyer; or (c) which is properly obtained from a third party who has the right to make such disclosure; or (d) which is independently developed by Buyer.

7. **EQUIPMENT, BUYER'S PROPERTY.** All equipment, tools, material, vehicles and/or other articles required for Vendor's performance of this Purchase Order shall be furnished by Vendor, maintained in good condition, and replaced when necessary at Vendor's expense. Title to and a right of immediate possession of any property of any nature whatsoever furnished or paid for by Buyer shall remain in Buyer.

8. **FORCE MAJEURE.** Buyer shall have the right to suspend shipments from Vendor hereunder without penalty or liability to Buyer in the event of war, riot, flood, acts of God, fire, court order, strike, work stoppage, act of governmental authority, or other causes beyond Buyer's control. Buyer shall not be liable to Vendor for its failure to accept delivery of goods purchased hereunder, provided such failure arises from any of such above-mentioned causes.

9. **TERMINATION AND DAMAGES.** Buyer may terminate performance of the work under this Purchase Order, in whole or in part, by written notice to Vendor without incurring any liability to Vendor other than as specifically set forth in this Section. Upon receipt of such notice, Vendor shall immediately discontinue all work and the placing of all orders for material, facilities, and supplies pursuant to this Purchase Order. Upon termination by Buyer under this paragraph for reasons other than force majeure (as set forth above), Buyer shall negotiate payment to Vendor based on Vendor's nonrecoverable, reasonable and actual documented costs and expenses; in no case, however, shall payment made under this paragraph exceed the aggregate price

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specified in this Purchase Order, less payments otherwise made or to be made. Nothing contained in this paragraph shall be construed to limit or affect any remedies which Buyer may have under this Purchase Order or under applicable law. In no event shall Buyer be liable for incidental, consequential, punitive or special damages. Buyer's liability arising out of or relating to this Purchase Order shall not exceed the reasonable value of goods and services provided for hereunder.

10. DEFAULT AND CANCELLATION BY BUYER. Buyer may cancel any Purchase Order, without incurring any liability to Vendor, for the following reasons as determined by Buyer in its reasonable discretion:

(a) the failure or inability of Vendor to complete product development activities on a timetable supporting on-time deliveries;

(b) the failure or inability of Vendor to meet the quality and other requirements of the Purchase Order and/or the Vendor Manual;

(c) the failure or inability of Vendor to timely deliver (i) samples (which meet specifications, garment appearance requirements, construction requirements, testing standards or aesthetic criteria provided) or (ii) raw materials or finished products;

(d) the failure or inability of Vendor to comply fully with the Buyer's terms of engagement governing treatment of workers, safety of facilities conduct of the vendor and compliance with all applicable laws, rules and regulations;

(e) if Vendor's financial condition, based on criteria determined by Buyer, is found to be or becomes unsatisfactory to Buyer during the term of the Purchase Order; or

(f) the failure or inability of Vendor to comply with any other of the terms of this Purchase Order, or any breach by Vendor of any term or condition of this Purchase Order, including, without limitation, the terms relating to shipping point, Country of Origin, delivery, size distribution and order quantity.

Upon cancellation Vendor will refund any deposits, down payments or other advance payments to Buyer (except that for goods or services already delivered). After cancellation, Buyer also reserves the right to similarly terminate all other contracts covering purchases by Buyer of Vendor's products or services whether or not Vendor may otherwise be in default, and no rights shall accrue to Vendor against Buyer on account of such termination. If Vendor fails to perform as specified in this Purchase Order or breaches any of these terms and conditions hereof, Buyer also reserves the right, without incurring any liability, to: (a) cancel this Purchase Order in whole or part; (b) obtain the goods or services ordered herein from another source; (c) setoff or reduce all claims for money due or to become due from Buyer to Vendor; or (d) exercise any other right or remedy permitted by applicable law. These rights and remedies are cumulative and in addition to any other remedies provided at law or in equity. Buyer's failure to insist on performance of any of these terms and conditions herein or to exercise any right or privilege, or Buyer's waiver of any breach hereunder, shall not thereafter waive any other terms, conditions or privileges, whether of the same or similar type.

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11. **CANCELLATION BY VENDOR.** Vendor may not cancel a Purchase Order within sixty (60) days of the FCA date, for an FCA order, or ninety (90) days of the in warehouse date, for an DDP order. Vendor cancellation within this time period, without the prior written authorization of Buyer, will result in a chargeback to the vendor of 50% of the FCA/DDP (depending on order terms) value of the order. Buyer may permit Vendor, at its sole discretion and on a case by case basis, to short or over ship an order by three percent **3%** of quantity provided that **no short ship** is permitted for orders from or for the benefit of the Buyer's "Oh Baby" business, and **3%** over ship may be permitted, by the Buyer at its sole discretion, for orders from or for the benefit of the Buyer's "Oh Baby" business. Any overages not reported will not be paid. In the case of a short shipment (shipping less than the shortage allowance, if such a shortage allowance is provided), Vendor will be charged back 50% of the FCA/DDP value as stated above. Vendor may cancel unconfirmed Purchase Orders by promptly informing Buyer, in writing, of Vendor's intent not to confirm the order. **NO ORDERS ARE GIVEN BY BUYER VERBALLY OR IN WRITING EXCEPT BY AN OFFICIAL PURCHASE ORDER. PROJECTIONS ARE NOT ORDERS NOR DO THEY CONSTITUTE ANY OBLIGATION OF BUYER. PRODUCTION COMMITMENTS OR RAW MATERIAL REQUIREMENTS ARE FOR PROJECTION AND PLANNING PURPOSES ONLY AND IN NO WAY FROM AN OBLIGATION ON THE PART OF BUYER.**

12. **COMPLIANCE WITH LAWS.** Vendor agrees to comply fully with all applicable laws, ordinances, rules, regulations and orders of all foreign nations (or governmental subdivision thereof) and all applicable domestic (United States of America) federal, state, and local laws, ordinances, rules, regulations and orders pertaining to the production, sale and shipment of the goods or services ordered, and, upon request, Vendor shall furnish Buyer certificates or other evidence of compliance. Further, to the extent applicable, such goods were or will be produced in compliance with all provisions of Executive Order 11246 and Sections 6, 7, 12, and 14 of the Fair Labor Standards Act of 1938, as amended, Dodd-Frank, all rules, regulations and orders thereunder, and any successor provisions thereto. Vendor hereby agrees to indemnify, defend (at Buyer's option) and hold harmless Buyer, its affiliates and their respective successors, assigns, customers and users of its products from any costs, losses, expenses, damages, claims, suits, fines, penalties or any liability whatsoever, including attorneys' and other professional fees, resulting from the failure of Vendor to comply, in the furnishing of goods or services under this Purchase Order, with all applicable foreign or domestic federal, state, or local laws, ordinances, rules, regulations or orders as set out herein above.

13. **INDEMNIFICATION.** Except to the extent that any injury or damage is due solely to Buyer's gross negligence, Vendor agrees to indemnify, defend (at Buyer's option) and hold harmless Buyer, its affiliates and their respective successors, assigns, customers and users of its products against all suits at law or in equity and from all damages, claims, demands and/or liability, including those arising out of: (a) the death of or injury to any person, or damage to any property, alleged to have resulted from the goods or services hereby ordered, and (b) resulting from any claim that the manufacture, use, sale or resale of any goods or services supplied under this Purchase Order, including goods for which complete specifications are furnished by Buyer, infringe any patent, copyright, trademark, trade secret or other intellectual

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property rights. Vendor, when notified shall, at Buyer's sole option, either defend any action or claim at its own expense, or reimburse Buyer's expenses, attorneys' fees, and other costs for defending such action or claim. Vendor shall be responsible for all costs, losses, expenses, damages claims, suits, or any liability whatsoever, including attorneys' fees. The foregoing indemnification shall apply whether the damage, claim or demand, including those for death, injury, or property damage, or relating to an intellectual property claim is caused by the sole or concurrent negligence of Vendor. To the extent that Vendor's employees, or subcontractors enter upon the premises of Buyer, Vendor shall take all necessary precautions to prevent injury or death to any person or damage to property arising out of acts or omissions of such agents, employees or subcontractors, and, except to the extent that any such injury or damage is due solely and directly to Buyer's gross negligence, shall indemnify, defend (at Buyer's option) and hold harmless Buyer, its affiliates and their respective officers, employees, and agents, from any and all cost, losses, expenses, damages, claims, suits, or any liability whatsoever, including attorneys' fees, arising out of any act or omission of Vendor, its agents, employees or subcontractors. If the goods purchased hereunder or any part thereof or any use thereof in reasonable contemplation of infringement and use is enjoined, Vendor shall promptly and at its own expense (a) procure for the Buyer the right to continue use of the goods purchased hereunder, or (b) replace the same with noninfringing goods satisfactory to Buyer, or (c) modify such goods in a way satisfactory to Buyer and its counsel so they become noninfringing. If Buyer decides, in its reasonable business judgment, that the goods purchased hereunder present a risk of injury to consumers, or a risk to its brand, or if it receives a notice ordering the withdrawal, discontinuance, removal or recall of any product from the retail market by a government or governmental agency, a regulatory body, court or the like, then Buyer has the unconditional right to withdraw its approval of the product and require Vendor to conduct a recall or market withdrawal immediately, and dispose of, at Vendor's expense, all such product. Any notice received by Vendor that the product presents a risk of injury to consumers, or a risk to Buyer's brand, or ordering the withdrawal, discontinuance, removal or recall of any product from the retail market by a government or governmental agency, a regulatory body, court or the like must be immediately communicated to Buyer in writing. In the event of any recall or market withdrawal affecting the good purchased hereunder, Vendor hereby agrees to promptly defend, indemnify and hold harmless Buyer, its affiliates and their respective successors, assigns, customers and users of its products against all costs, losses, expenses, damages, or any liability arising from such recall or market withdrawal, voluntary or involuntary, including any costs associated with the recall or market withdrawal, replacement of the recalled goods, notification of customers, communication with regulatory agencies, corrective action, and legal expenses incurred in connection therewith. The foregoing indemnification shall apply irrespective of whether or not the damage, claim or demand, including those for death, injury, or property damage, or relating to a recall or market withdrawal or an intellectual property claim is caused by the negligence of Vendor or its employees or agents.

14. **INSURANCE.** Vendor shall maintain and require its subcontractors to maintain: (a) Public liability and property damage insurance (including contractual liability), both general and vehicle, in

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amounts sufficient to cover obligations set forth above; (b) Worker's Compensation and Employer's Liability insurance covering all employees engaged in the performance of this Purchase Order. Vendor shall furnish, upon Buyer's request, certificates evidencing such insurance. Such insurance shall be consistent with the following coverages: (a) Commercial General Liability Insurance with a minimum Limit of Liability of **\$1,000,000** each occurrence, **\$1,000,000** Products/Completed Operations Aggregate Limit and **\$2,000,000** General Aggregate Limit; (b) Commercial Automobile Liability Insurance including Owned, Hired and Non-Owned Vehicles with a minimum limit of **\$1,000,000** each accident; (c) Workers' Compensation Insurance which provides Statutory Benefits and Employers Liability Insurance with limits of **\$500,000** (each accident and each employee by disease); and (d) any other insurance, as may be required by law. The Vendor is required to provide its own Property Insurance on all materials that are part of this Purchase Order until such-5-time as the materials are accepted by the Buyer. In addition, Vendor is required to provide its own Property Insurance for its own equipment, materials and tools that are used by the Vendor which are not part of this Purchase Order. The Vendor waives all rights of recovery or subrogation against the Buyer for damage caused by fire or other perils to the extent covered by Property Insurance obtained pursuant to this Purchase Order, whether or not such damage was caused by the negligence, strict liability or other actions or in-actions of Buyer, general contractor/construction manager or Buyer, or not. Vendor agrees that Buyer shall be named as Additional Insured on all of Vendor's policies of insurance (except Workers' Compensation) and that Vendor's policies of insurance shall provide insurance coverage, on a primary basis, to Buyer even for Buyer's sole negligence. It is specifically agreed by Vendor that Buyer's policies of insurance are in excess of any coverage to be provided by Vendor to Buyer as Additional Insured.

15. GOODS MANUFACTURED PER BUYER DESIGNS OR SPECIFICATIONS. As to goods manufactured by Vendor specifically for Buyer using designs and/or specifications created by or at the direction of Buyer, Vendor agrees that such merchandise styles sold pursuant to this Purchase Order (as indicated by the style numbers and any related description and notes, set forth in the forepart of any Purchase Order or elsewhere), will be sold only to Buyer, and Vendor agrees that Vendor will not directly or indirectly provide any goods or merchandise matching or substantially similar to such styles, in any color, print or fabric, to maternity customers or to any other purchaser for further sale or distribution to maternity customers. Vendor further agrees that no goods manufactured per Buyer designs or specifications will contain conflict minerals from any Covered Country.

16. ASSIGNMENT. This Purchase Order may not be assigned by Vendor without the Buyer's prior written consent. Vendor may delegate its duty to perform hereunder or subcontract the furnishing of any of the completed or substantially completed goods required by this Purchase Order; provided that any such delegation or subcontracting is only permitted if Buyer provides its prior written consent, and further provided that the delegatee or subcontractor agrees in writing to be bound by all of these terms and conditions contained in this Purchase Order. Vendor acknowledges that such delegation or subcontracting does not relieve Vendor of its duty to

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perform its obligations hereunder or from any liability it may have as a result of its, or its delegatee's or subcontractor's failure to perform any of the terms or conditions contained herein and Vendor shall be liable for the act or neglect of its delegates or subcontractors. Any assignment by Vendor of its right to payment under this Purchase Order shall be subject to all claims and defenses of Buyer. This Purchase Order may be assigned at any time and from time to time by the Buyer at its sole discretion.

17. **APPLICABLE LAW.** The validity, interpretation, and performance of this Purchase Order will be governed by the laws of the State of New Jersey (except for conflicts of laws rules), except to the extent that the transaction covered by this Purchase Order involves the international sale of goods, in which case the validity, interpretation and performance of these terms and conditions shall be governed and construed by the provisions hereof in accordance with the United Nations Convention on Contracts for the International Sale of Goods, as amended, and all rules, regulations, orders thereunder, and any successor provisions thereto. Buyer and Vendor each consent to the jurisdiction and venue of the courts of the State of New Jersey and the Federal District Courts located therein for all purposes in connection with this Purchase Order and the transactions contemplated thereby.

18. **SEVERABILITY.** The terms and conditions of this Purchase Order are severable and if any terms and conditions or portions of any terms and conditions herein are stricken or declared illegal, invalid or unenforceable for any reason whatsoever, the legality, validity or enforceability of the remaining terms and conditions shall not be affected thereby.

19. **ENTIRE AGREEMENT.** When accepted, the Purchase Order, along with Buyer's: (a) Vendor Manual as in effect from time to time, (b) Buyer Representative Agreement in the case of agency relationships, (c) Exclusivity Agreement in the case of design, and other specific relationships of a more proprietary nature, such designation as may be specified by Buyer from time to time, and (d) Employer Compliance Program and Code of Conduct, all of which are incorporated by reference and further copies of which will be provided upon request, will constitute the complete and exclusive statement of the terms of such contract between the parties hereto, are intended as a final expression of the terms of such contract and will supersede all prior and contemporaneous agreements, inducements or conditions, express or implied, oral or written. No course of prior dealings between the parties and no usage of trade shall be relevant to supplement or explain any term herein. Buyer's acceptance or acquiescence in a course of performance rendered by Vendor hereunder shall not be relevant to determine the meaning of this contract, even though Buyer has knowledge of the nature of the performance and opportunity for objection.

20. **MISCELLANEOUS.** (a) Vendor shall be bound by any representation or undertaking made by any of its agents or employees with respect to the specifications, quality, packaging, price or conditions of delivery of the goods. By accepting this Purchase Order, Vendor ratifies any such

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representation or undertaking made by any of its agents or employees. (b) This Purchase Order shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. (c) If importation of the goods results in the assessment of a countervailing duty on Buyer as the importer, Vendor shall reimburse such countervailing duty on the Buyer, provided such reimbursement is permitted under applicable laws and regulations. (d) Vendor shall cooperate fully with the Buyer at Vendor's expense in obtaining approvals of the goods requested by Buyer from certifying organizations. (e) The captions appearing at the beginning of each paragraph of these terms and conditions are for convenience only and are not to be construed as a substantive part of said terms and conditions. (e) The provisions of each of Sections 3, 4, 6, 12, 13, 15, 17, 18, 19, and 20 shall survive any termination, cancellation, execution, delivery, and/or performance of this Purchase Order.

The party identified as "Vendor" (the "Vendor") hereby agrees that the Purchase Order Terms and Conditions, , attached hereto shall apply to any and all transactions between Vendor and Destination Maternity Corporation and/or one of its subsidiaries or affiliates (the "Buyer"). The Vendor, intending to be legally bound, has signed this Agreement on the date set forth below.

The above is Certified By:

Vendor:

Initial Here: _____

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VI. NON-COMPLIANCE POLICY

The following Non-Compliance Matrix has been established to offset expenses incurred due to a Vendors failure to meet the terms of the PO, quality, and / or delivery performance.

NON COMPLIANCE MATRIX	
SHIPPING	
Non-Compliance Issue	Discount/Fees
FCA/DDP Late to FF & Warehouse Date	\$1,000
Short Shipment Exceeds allowance +/-3% (Overages will not be paid)	\$1,000 + 50% of the FCA/DDP Value
Vendor Cancellation (Unauthorized)	\$1,000 + 50% of the FCA/DDP Value
DMC Cancellation (Initial order late 15 days or quality rejected)	\$1,000 + 50% of the FCA/DDP Value
ASN Non Compliance (Failure to transmit shipment information prior to the receipt of goods in DMC warehouse)	\$1000
Late Fee: 1% per day (applied to each violation that causes a delivery delay)	
Administration Fee: \$100 (applied to each chargeback Issued)	
CARTONS	
Non-Compliance Issue	Discount/Fees
Carton Labeling Non-Compliance <ul style="list-style-type: none"> ▪ Packing List error ▪ Inaccurate, missing or non-active carton license plates 	\$1,000 + 100% Inspection fee Rework cost / fees may apply

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<p>Carton Specifications Non-Compliance</p> <ul style="list-style-type: none"> ▪ Incorrect Carton Size ▪ Incorrect Burst Strength 	<p>\$1,000 + 100% Inspection fee Additional labor & rework cost / fees may apply</p>
<p>Failure to comply with Pre-pack, sizing, folding specifications / requirements:</p> <ul style="list-style-type: none"> ▪ Packing List error ▪ Mixed sizes in one carton ▪ Mixed colors in one carton ▪ Multiple piece sets with mismatched components (small top with medium bottom) 	<p>\$1,000 + 100% Inspection fee Additional labor/ materials fees may apply</p>
<p>Late Fee: 1% per day (applied to each violation that causes a delivery delay)</p> <p>Administration Fee: \$100 (applied to each chargeback Issued)</p>	
<p>DOCUMENTS</p>	
<p>Non-Compliance Issue</p>	<p>Discount/Fees</p>
<p>DM Documents procedure non-compliant (COO changes, Resale, Code of Conduct, Security Violations etc.)</p>	<p>\$500 per PO</p>
<p>Failure to provide Final Garment Inspection Report (Factory)</p>	<p>\$500 per PO</p>
<p>Incorrect WAG (Wearing Apparel Guide)</p>	<p>\$250 per PO</p>
<p>Document Discrepancy (reduced invoice with no corresponding reduction in bank draft request)</p>	<p>\$1000</p>
<p>Missing or Incorrect or late ACI (Automated commercial invoice)</p>	<p>\$500.00 per Invoice * Other late fees may apply</p>
<p>Late Document (Delays Freight)</p>	<p>\$1,000 per day</p>
<p>Bad Document (Delays Freight)</p>	<p>\$1,000 per day</p>

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<p>Late Fee: 1% per day (applied to each violation that causes a delivery delay)</p> <p>Administration Fee: \$100 (applied to each chargeback Issued)</p>	
QA/QC	
Non-Compliance Issue	Discount/Fees
Incorrect Hanger (Bras)	\$0.25 per unit + hanger cost
Missing/Bad OPM (On Product Marketing)/Packaging: <ul style="list-style-type: none"> ▪ Missing or Incorrect price ticket (price ticket error and/or price ticket not matching garment) ▪ Bar Code on price ticket incorrect, mutilated or unable to be scanned ▪ Missing or Incorrect information on care label: size, style number, care instructions (do not 'whiteout or correct care label) 	\$0.25 per unit + 100% Inspection fee Additional labor / materials fees may apply
Missing/Bad Poly bags	\$0.25 per unit + 100% Inspection fee Additional labor / materials fees may apply
Damaged Goods (Not Saleable/First Quality)	100% Full LDP Value (FOB + Duty + Transportation Cost) *Duty and freight cost will not be refunded to the Vendor
<u>Level 1 Quality Failure</u> : Preliminary Inspection (DM)	\$1,000 Additional quality handling fees apply
<u>Level 2 Quality Failure</u> : 2.5 AQL Inspection (DM)	\$1,500 + 100% Inspection fee Sample Sending Fee's apply Additional quality handling fees apply

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<u>Level 3 Quality Failure</u> : 100% Inspection (DM or 3 rd party)	\$2,000 + 100% Inspection fee Sample Sending Fee's apply Additional quality handling fees apply
<u>Level S Quality Failure</u> : Store Level Quality Issue detected <i>(Triggers either 2.5 AQL or 100% Inspection dependent on issue)</i>	\$2,500 + 100% Inspection fee Sample Sending Fee's apply Additional quality handling fees apply
<u>Quality Failure CAP & Handling</u> : Corrective actions due to quality or labeling issues (RTV, GOH for transit/freight, inspection, repair, re-work, inspection, audit, labor etc.)	CAP (Corrective Action Plan) assessed and fees advised on a case by case basis
<u>Quality Failure Disposition</u> : Inspection failure / Non-conformance (DMC quality, spec, sewing, construction, accessory, trim, color, labels, tickets, packaging, marketing etc.)	Discount % agreed upon with DM & Vendor Additional quality handling / testing fees apply
Late Fee: 1% per day (applied to each violation that causes a delivery delay)	
Administration Fee: \$100 (applied to each chargeback Issued)	
SAFETY	
Non-Compliance Issue	Discount/Fees
Needle / Metal Contamination found (Sewing needle, Pin, Staple, etc.)	Min \$1,000 / Max \$5,000 + 100% Inspection fee Additional labor & rework cost / fees may apply
Dangerous Sharp Object Found (Razor, Knife, Scissors etc.)	\$10,000 + 100% Inspection fee Additional labor & rework cost / fees may apply

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Odor / Mold / Infestations Found	\$1,500 per PO + 100% Inspection fee Additional labor & rework cost / testing fees may apply
Late Fee: 1% per day (applied to each violation that causes a delivery delay) Administration Fee: \$100 (applied to each chargeback Issued)	

The above is Certified By:

Vendor Management:

Initial Here: _____



VII. CODE OF CONDUCT

Destination Maternity believes as a matter of principal, that federal, state and local laws designed to protect workers in the garment industry are necessary and important, and that all employers in our industry should strictly comply with these laws. While the employment practices of our Suppliers are not within the control of DM, we hereby go on record as affirming our intention to do business only with garment manufacturers and factories, which share our views as to the importance of obeying these laws and policies.

If it comes to the attention of Destination Maternity Corp. that any Supplier with whom we do business has been found in violation of these laws, policies and principles, Destination Maternity Corp. will reconsider its continued use of any such garment manufacturer. Destination Maternity Corp. does not intend to do business with Suppliers, who willfully violate laws and policies, designed to protect workers in the industry. Destination Maternity Corp. Code of Conduct must be posted in an obvious location in all factories, translated into the languages of the workers. All new workers shall receive an orientation upon employment, including an explanation of these practices.

TRANSPARENCY

Destination Maternity expects vendors and factories to be transparent in their operations, policies, procedures and recordkeeping and to embrace a fundamental effort towards operational efficiencies and continuous improvement. If local or industry practices exceed local legal requirements, the higher standard applies. Factories producing goods for DM are expected to be honest and transparent with all records and to have evidence of compliance. Destination Maternity will not tolerate any Supplier that submits falsified records.

COMPLIANCE WITH LAWS AND REGULATIONS

Vendors and factories must operate in full compliance with all applicable rules and regulations including those regarding labor, worker health and safety and the environment. In addition, compliance with applicable United States and foreign laws and regulations on the importation of its products into those countries, including: customs regulations; Country of Origin labeling; product and fabric testing; and product labeling is required.

FACTORY SECURITY

All factories producing goods for DM must implement minimum security criteria based on recommendations developed as a result of the C-TPAT initiative with U.S. importers.

BRAND PROTECTION

All factories producing goods for a Destination Maternity must protect the reputation of DMC and reduce the possibility of illegal activities such as counterfeiting, diversion, trademark infringement and other infringement of intellectual property rights. Factories must not sell or otherwise dispose of goods that bear or incorporate the DM's trademarks, copyrights, patents,



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or other intellectual property except as specifically directed in writing by Destination Maternity.

SUBCONTRACTING AND TRANSSHIPMENTS

- Destination Maternity does not permit subcontracting without written permission obtained prior to production. Approved subcontractors must execute all supplier documents and are subject to all regulations governing Supplier.
- The Supplier acknowledges that Destination Maternity does not condone or permit illegal transshipments to evade the textile quota restraint agreements negotiated between the country of export and the United States. All purchase orders have specified Country of Origin and-FCA port and no deviations are permitted

ETHICAL BEHAVIOR

- Destination Maternity suppliers are expected to conduct their business in an ethical manner. Bribery in any form is prohibited. Suppliers are not permitted to give gifts or any compensation to any employee of Destination Maternity.
- The Supplier certifies that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

CHILD LABOR

The Use of workers under the age of 15 is prohibited, unless part of a government sponsored apprenticeship program. The Supplier must observe all legal requirements for the work of authorized minors, particularly those relating to hours of work, wages, minimum education and working conditions. Child labor is defined as use of workers under 15 (or 14 where the law of the country permits) or younger than the age of completing compulsory education in the country where such age is higher than 15.

FORCED LABOR

Destination Maternity will not place any work in any facility that uses prison, indentured or forced labor." Forced Labor" is defined as any work or service that is extracted from any person under the threat of penalty for its non-performance and for which the worker does not offer voluntarily or subjects the work to coercion or compulsion. The Supplier may not force workers to surrender identification documents.

CONTRACT LABOR REQUIREMENTS

Factories that employ or recruit foreign workers must ensure those workers are treated fairly and on equal basis with the local workers.

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WAGES AND WORK HOURS

- Minimum Wage: The Supplier shall comply fully with all the requirements of the local minimum wage laws. These include the following:
 1. In any given workweek, the total gross pay must not be less than the total number of hours worked by the employee multiplied by the legal minimum wage.
 2. Minimum wage applies to all employees, include those who are paid, in whole or part, on the basis of piecework earnings. If the total earnings do not equal or exceed the number of hours worked multiplied by minimum wage, the difference must be paid to the employee in addition to the piecework earnings.
 3. The minimum wage laws apply to each workweek separately. Earnings from any given workweek cannot be used to meet the minimum wage requirements for any other workweek; nor can earnings be averaged over a period longer than a workweek for purposes of determining whether the minimum wage requirements have been met.
 4. The Supplier must pay workers' wages and legally mandated benefits that comply with the higher of (a) any applicable law or (b) to match the prevailing local manufacturing or industry practices.
- Overtime – The Supplier shall comply fully with all the requirements of the local overtime laws. These include the following:
 - a) Where applicable, each employee must be compensated for each hour worked in excess of the standard straight time hours – at the appropriate overtime rate.
 - b) The overtime pay provisions apply to pieceworkers.
- Working Hours - The Supplier shall comply fully with all the local requirements of the maximum number of hours worked and in no case exceed local laws. Supplier should schedule production to allow for no more than 60 hours per week, with one day of rest in every seven days. Supplier will comply with local laws regarding holidays, leaves and vacations.
- Recordkeeping – The Supplier shall keep, maintain and preserve complete and accurate records of the wages, hours and other conditions and practices of employment with regards to all employees. Personnel records should contain all information required by local law, but in every case, name, official documentation of age, legal identification, department and location, wage rate, deductions and withholding.

WORKING CONDITIONS

The supplier must be committed to providing every worker a clean, safe and healthful work environment free of hazards, and harmful conditions. Supplier must have designated safety officers in all work areas. The Supplier must comply with all applicable, legally mandated standards for workplace health and safety. If dormitory facilities are provided, they must comply

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with legally mandated standards for health and safety. If no local standards exist, facilities must be clean and safe.

ENVIRONMENT

Suppliers must be compliant with local environmental laws. In absence of local regulations, factories shall act in a responsible manner.

DISCRIMINATION

While Destination Maternity recognizes and respects cultural differences, employment (Hiring, wages, benefits, advancement, termination, and retirement) shall be based on the worker's ability and not on personal characteristics. DM believes workers should be employed on the basis of their ability to do the job, rather than on the basis of gender, age, disability, sexual orientation, racial characteristics, cultural or religious beliefs or similar factors. Destination Maternity will not utilize suppliers who discriminate against workers on the basis of gender, age, disability, sexual orientation, racial characteristics, cultural or religious beliefs or similar factors.

HUMANE TREATMENT

The Supplier must treat all workers with respect and dignity. Destination Maternity will not utilize suppliers who use, or permit the use of corporal punishment, physical, sexual, psychological or verbal harassment or other forms of mental or physical coercion, abuse or intimidation. The Supplier shall not use or permit the use of fines as a disciplinary practice.

FREE ASSOCIATION

Workers must be free to join organizations of their own choice. The Supplier shall recognize and respect the rights of workers to freedom of association and collective bargaining. Workers shall not be subject to intimidation or harassment in the peaceful exercise of their legal right to join or to refrain from joining an Organization.

WOMAN'S RIGHTS

Destination Maternity believes in the protection of women's rights. All Suppliers will ensure that workers who are women receive equal treatment in all aspects of employment. Pregnancy tests will not be a condition of employment. Workers will not be exposed to hazards that may endanger their reproductive health and the Supplier will not force workers to use contraception.

MONITORING AND COMPLIANCE

- The Supplier shall cooperate fully with all of Destination Maternity's efforts to monitor whether the Contractor is complying in full with this Policy. The Supplier shall (without any limitations) allow Destination Maternity Corporation authorized representatives complete and immediate access to all premises, records, and employees announced or unannounced on-site inspections of factories by DM or its representatives, including making factory workers available for confidential interviews in connection with ensuring compliance with this Code of Conduct.

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- Any problem requiring corrective action will be subject to a scheduled review by Destination Maternity or its representatives. Failure to make corrections in a timely manner may result in cancellation of all orders.

RETALIATION

Destination Maternity will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought advice or reported questionable behavior or a possible violation of this Code of Conduct.

The above is Certified By:

Vendor Management:

Initial Here: _____

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VIII. TAX FORM W-9

When applicable to a Vendor (Typically DDP terms) the most current DM W-9 Tax Form will be provided electronically at the time of vendor set up. During Vendor Certification Vendors who are required to provide a tax form will be provided the DM W-9 Tax Form with their Vendor Certification Package which will be sent electronically by Vendor Relations. Vendors who do not receive a W-9 tax form with their Vendor Certification Package are not required to provide one.

