

Wholesale Terms & Conditions

1. Wholesale application form

All new customers must complete wholesale application form and return the signed wholesale terms and conditions to be eligible for applying lanopearl wholesale account. Lanopearl sales representatives or sales manager will review your application and discuss the sales target with you before processing our wholesale partner order agreement.

2. Wholesale partner order agreement

- 2.1 For the first three months trial period, customers will be given an option to decide their monthly order value with our sales representatives, we will then setup a yearly order target based on this monthly order value. Upon this agreement, customer will need to sign the wholesale partner order agreement and send it back to Lanopearl by fax (02) 9516 0265 or scan and send by email to order@lanopearl.com.au
- 2.2 After the 3 months trial period, Lanopearl office will review your order performance. Depending on your order value, we will offer additional discount if your order value has fallen into a further discount category. The new wholesale partner order agreement will be provided to you for you to sign and you will receive a further discount based on the increased monthly order value. The Wholesale agreement period is 1 year with an option to renew every year. This order performance will be reviewed at the end of each financial year.

3. Standard discount guideline:

No	Type of Wholesale Customers	% Discount	Order Target/M	Order Target/Y	No Shelf
1	Grand Flag Shop Partner (Type A)	35%	>\$20,000/m	\$240,000	6 Large
2	Flag Shop Partner (Type B)	30%	\$3,000 - \$20,000	\$36,000 - \$240,000	3 Large
3	Small Flag Shop Partner (Type C)	20%	\$1,000 - \$3,000	\$12,000 - \$36,000	3 Med
4	Silver Partner	10% - 15%	\$100 or Over	\$1,200 or Over	3 Mini
5	Online Shop	0% - 10%	\$100 or Over	\$1,200 or Over	-

*Standard discount rate may change depending on market environment

*Discount does not apply to any promotion and special fixed offer

*All prices are GST exclusive

4. Type of Wholesale Customer

- 4.1 Grand Flag Shop Partner (Type A) 6 large wall shelf or more
- 35% off for order > \$20000/m
- Min display 6 shelf or more (min width 4 meters)
- Possible to design by designer (subject to approval)
- Supply all 3 brands or more , Min SKU = 90
- Free sample upon request
- Free advertising budget \$4000/year (subject to approval yearly)
- Company advertise with grand flag shop name in the AD (90% of ad)
- Extra 3 % discount from 1 year fix price
- Volume discount
- Monthly promotion
- Grand flag shop tailor made star products 1-2 times/y for promotion

Note : Lanopearl Pty Ltd will review the shop performance 2 times a year (July and January) If total order does not reach to the agreement, Lanopearl Pty Ltd will adjust the % discount according to sales result in the last 6 months.



- **4.2 Flag Shop Partner (Type B)** 3 large wall shelf or more
 - 30% off for order \$3000-20000/m
 - Min display 3 shelf or more (min width 2.10 meters)
 - Supply all 3 brands , Min SKU = 60 SKU
 - Free sample upon request
 - Free advertising budget \$1000/year (subject to approval yearly)
 - Company advertise with your shop name in the AD
 - Eligible for 1 year fix price
 - Monthly promotion
 - Volume discount

4.3 Small Flag Shop Partner (Type C) - 3 medium wall shelf or 3 mini shelf

- 20 % discount for order \$1000-\$3000 / m
- Min width 1.80 meters
- Supply min 1 brand , Min SKU = 20 SKU
- Free sample upon request
- Eligible for 1 year fix price
- Monthly promotion

4.4 Silver Partner - 3 mini rebirth/Lanopearl shelf & no wall shelf

- 10-15 % discount for payment before delivery, no fixed price, no promotion
- order \$350/order free delivery , order less than \$350 charge delivery fees
- Mini rebirth shelf supply for FREE with order more than \$3000
- Supply min 1 brand, Min SKU = 10 SKU
- Sample 50% from RRP allow 1 unit/ order (without paper carton)

4.5 Online shops

- Standard wholesale price & payment before delivery
- 10% discount for order more than \$1000 / order
 - ***Shelf deposit of \$250 per shelf required for Large Wooden Shelf and Sheep Shelf***

5. Volume discount guideline

2% discount for 500 units order 4% discount for 1,000 units order 6% discount for 2,000 units order 8% discount for 5,000 units order Note - number of units may vary +/- 3% depending on units/carton; please see your sale representative for more details

6. Store performance review

Lanopearl Pty Ltd will review the store performance twice a year (July and January). If the total order value does not reach the agreed target, Lanopearl Pty Ltd has right to adjust the percentage discount based on the order value in the last 6 months.

7. Sample tester policy

7.1 For your first order: order 12 or more of the same item, you will get 1 free tester (tester supply without inner carton)

7.2 For your second order – tester can be purchased at 1 unit per order at 50% off order price (tester supply without inner carton)



8. Delivery policy

Free delivery for order over \$350 for all states in Australia. \$25 delivery fee will be charged for the order less than \$350

9. Promotion offering

9.1 Monthly Promotions: promotion details will be sent out the first day of the month by email or fax.
9.2 Special fixed price: a list of products that is offered by Lanopearl with a special fixed price to every customer. Please note this fixed price may change due to market condition without notice.
9.3 Stock take sale: Lanopearl will offer Stock take specials twice per year. Our stock take sales are in June and December
*Subject to stock quantity.

*Subject to stock quantity

10. Order method

- 10.1 calling our customer service officer on (02) 95160263
- 10.2 fax your order to (02) 95160265
- 10.3 email your order to our customer service officer order@lanopearl.com.au
- 10.4 Online order

11. Payment method

11.1 Direct credit transfer details to Lanopearl account:
Bank: Commonwealth Bank
Branch: Marrickville
Branch address: 267 Marrickville Rd, Marrickville Sydney NSW 2204
Account Name: Lanopearl Pty Ltd
BSB: 062 199
Account Number: 1055 6901
SWIFT CODE: CTBAAU2S
*Please scan and email bank transfer details to <u>order@lanopearl.com.au</u>

11.2 Cheque Payment (Only within Australia)

Paid to: Lanopearl Pty. Ltd Postal address: PO3064, Marickville Metro, 2204, NSW *Important note: Please write invoice number when making transfer.

11.3 Credit Card Payment

Please provide: Card holder name, credit card type, card number & expiry date Credit card information must only be provided by telephone to customer service staff (Judy – Tel 02 9516 0263)

*Please do not send your credit card details by email that is not encrypted

*We only accept Visa and Master Card. American Express and Diners Club are NOT acceptable.

12. Return policy

We will accept return products for the following conditions

- Faulty products
- Unsatisfied quality products e.g. bad smell, leaking, packaging defects
- Wrong delivery wrong delivery products have to be returned in good conditions
- Exchange of difficult selling products
- Lanopearl Pty Ltd will only accept return goods within 3 months from the date of Invoice and goods must still have at least 18 months of shelf life left.



Conditions of return:

- 100% credits will be given for the products that have shelf life more than 30 months (2 and half years) OR return within 2 months of ordering
- 50% credits will be given for the products that have shelf life less than 24 months (2 years)
- We do not accept return for the products that have shelf life less than 12 months (1 year)

Freight charges for return products:

- Faulty products returned must be paid by customers.
- Freight charges of wrong delivery products
- * This will be paid by Lanopearl if we put wrong delivery address
- * This will be charged by Courier Company if courier company delivery to the wrong address

Return of Allergy conditions:

If customers return goods due to the allergy conditions, customers will need to fill in the Allergy form, and send or fax to Lanopearl before return credit can be made.

13.Exchange policy

Lanopearl Pty. Ltd. has the product exchange policy for customers who are unsatisfied with the products; however, the following conditions apply:

Items that we accept for exchange are

- Faulty products
- Product with inner box dented
- Product with jars or bottle with scratches or are damaged

Exchange products due to difficulty of selling

Sales representative will ask shop owner if they have difficulty to sell some item or not

- Specially for first order

- We will screen the first order from new account if some items the order is too high, we will discuss with shop owner to reduce the quantity.

- Please check with brand catalogue of product sales ranking, please order follow our best seller ranking.

- We allow customer to exchange for first time order only. Please make sure you exchange within the first 3 months after delivery

- * Product has shelf life more than 2 years and 2 months (26 months) allow exchange
- * Product self-life between 19-25 months exchange fee of 50% from the total exchange product value

* Product shelf life lower than 18 months, not accept exchange.

Exchange for product with "S" logo (sensitive skin options)

- If a customer with sensitive skin purchases products with the "S" logo and still have an allergy reaction, we are happy to exchange to a new "S" logo item
- In this circumstance, the customer needs to pay the delivery cost by him/herself
- Lanopearl Pty Ltd will only accept exchange goods within 3 months from the date of invoice.
- The return goods must still have at least 18 months of shelf life left.
- For the exchange of "S" logo products, the goods must be send back to the company with good conditions and maximum value of exchange is up to \$3,000 only



14. Allergies & complaints

- All shop owners must discuss with customers regarding their skin conditions before selling our products, especially for sensitive skin type customers
- "S" logo policy customers with sensitive skin need to only use products with "S" logo (green logo next to each product in the brochure). "S" logo means the product is sensitive skin friendly, however, this does not guarantee 100% free from allergy. If customer uses "S" logo products and still has allergy reactions, we can offer a full money refund or exchange for other items with "S" logo
- Shop owners need to send a report of return products to Lanopearl Pty Ltd to claim. Lanopearl Pty Ltd will send a credit note to your company. (The refund price will be the same price that the company bought from lanopearl)
- Return from none "S" logo products Lanopearl will not accept return from non "S" logo products as non "S" logo products mean it may cause allergy reactions to sensitive skin. None "S" logo products can be used for any other skin type (accept sensitive skin)

15. Artwork, colors, designs, layout and brand message

- Wholesale customer needs to follow brand color concept and ask advice from customer service officer (order@lanopearl.com.au) if needed.
- If the concept changes a lot from original concept, please give us notice or discuss in advance, please note that changing the concept can affect damage of the brand image and Lanopearl Pty Ltd has a right to terminate the contract if distributor does not follow our brand guideline.
- Color, using right color for the brand will benefit the brand strength in the future. Please ensure the design or anything related to brand image are done in correct color and format. If you are not sure, please send the artwork to our design team.
- Brand core message and positioning is important. Please ensure all staff and wholesaler, consumer, supplier know our brand message and positioning.

16. Advertising and design template

The advertising and design templates are available for download from our wholesales website (www.lanopearlwholesale.com). Any customize design made by the shop needs to be sent to us for approval before printing or publishing.

17. Online order service

We offer online order service for our wholesale customer. Please contact IT Marketing officer (itmarketing@lanopearl.com.au) or Customer Service Officer (order@lanopearl.com.au) for login name and password.

18. RRP

Customer can follow our RRP discount guideline 20% from standard Australia pricing.

Gino Hsu Sales & Export Manager Lanopearl Pty Ltd

Shop Owner