
SFC Warehousing & Fulfillment Service: Service Level Agreement

The following terms and conditions (the "Agreement") govern all use of the warehousing and fulfillment service (the "Service") and other services available on or at the sendfromchina.com website (the "Site"). The Service is owned and operated by SFC Holdings Limited. ("Service Provider"). The Service is offered subject to your (the "User" or "you") acceptance without modification of all of the terms and conditions contained herein and all other operating rules, policies and procedures that may be published from time to time on the Site by SFC – including, without limitation, Shipping, Pricing, Return, Privacy Policy and others. If you do not agree to this Agreement, do not use the Service.

By providing the Service, Service Provider receives and stores inventory on the User's behalf. Service Provider will prepare the inventory ("Products") for shipment directly to the User's customers ("Customers") upon instructions by the User. SFC helps you accept shipments from and make shipments to third parties. SFC is an independent contractor for all purposes, except that SFC acts as your agent only with respect to the custody of your merchandise. SFC is not a shipping carrier. SFC does not have control of or liability for the carriage of any products. We do not guarantee the identity of any User or ensure that a recipient will accept the shipment.

Service Provider reserves the right, at its discretion, to modify this Agreement, fees, charges and terms at any time. The User shall be responsible for reviewing and becoming familiar with any such modifications. Use of the Service by the User following such notification constitutes the User's acceptance of the changes in the terms and conditions.

1. Account Registration, Verification and Activation

Prior to using the service, you have to register as a User at the Service Provider's website with valid business or personal information. You have to submit verification document to the Service Provider. The name on the document must match that of your PayPal or bank account. Upon verification, the Service Provider shall activate the account. You can then login to the User Center and have full access.

2. Service Level Guarantees.

Only full accounts in good standing are eligible for service level guarantees. We offer service level guarantees for our services only. These guarantees can be suspended, modified or revoked at our sole discretion without prior notice to you.

2.1 Exclusions and Limitations.

Service Level Guarantees do not apply to:

- Inventory improperly labelled by merchant or improperly described in the SFC system;
- Shipments which are delayed due to causes beyond SFC's control, including but not limited to, the following: Acts of God, failure or unavailability of any third-party system outside of SFC's direct control that results in our inability to rate and communicate orders

to the warehouses, riots, strikes or other labour disputes, civil commotions, natural disasters, terrorism, weather phenomena and/or disruptions in air or ground transportation networks,

- The package is available for carrier pickup; but, the carrier does not pick-up.

2.2 100% Accuracy Guarantee.

This guarantee applies only to eligible accounts where no exclusions or limitations, described in 2., are present. The shipping accuracy guarantee means we will ship the right products to the address you specify, and if we don't ship the right products we will ship any available replacement merchandise via the same shipping method as the original shipment with shipping costs paid by SFC, and credit your account for an equal number of item picks as the order made in error. Additionally, at our discretion and when the carrier makes this service available we will request our shipping partner retrieve your merchandise at our expense, or compensate you for lost or missing merchandise as detailed in our Limitation of Liability. The shipping accuracy guarantee does not mean we will ship every order with exactly the carrier you select as carriers sometimes change service level or their systems are not available and SFC may fail-over to a similar carrier in order to ship the product as quickly as possible. The shipping accuracy guarantee does not mean that the final shipping price will exactly match the rate initially displayed as these terms detail that all shipping rates displayed are estimates until final carrier bills are received. The shipping accuracy guarantee does not mean that the product will arrive to the end recipient in a timely manner or undamaged; we strongly recommend that merchants insure all shipments against loss or damage. We are not liable for lost product, loss of business or for consequential or incidental damages for shipments.

3. Counterfeits, Prohibited and Restricted Items

The Service Provider does not accept counterfeits and prohibited items that are listed in the Customs Law. The User must not tender such items for shipment. The User is liable for all consequences resulting from non-compliance and the Service Provider reserves the rights to pursue legal actions against the User.

(1) Prohibited Items:

- Branded goods that are protected by the Intellectual Property Rights (unless with a valid Certificate of Authorization and official invoice). Counterfeit goods.
- Weapons, replica weapons (e.g. replica toy guns), ammunition, toxic chemicals, hazardous chemicals, explosives (fireworks, gas lighters, gasoline, alcohol, sulfuric acid, paint, etc.), firearms, dangerous goods, white crystals, powder, fluid, lotion, gel, paste, goods containing liquid, e-cigarettes, etc.
- Cash, checks, money orders, securities, bearer negotiable instruments, counterfeit currency, debit cards, credit cards, passbooks, lottery tickets etc.
- Drugs (e.g. opium, morphine, heroin, marijuana, methamphetamine, etc.), prescription drugs, herbal supplements, health or medical products, narcotic drugs, psychotropic substances, etc.
- Pornography (whether in printed, film or digital format). Indecent, obscene or offensive

articles, sex toys, etc.

- Animals and plants, animal carcasses (e.g. specimens), human body or parts, harmful organisms, biological samples, etc.
- Tobacco, cigarettes, alcohol, sugar, mahogany, seeds, cosmetics, food, tea, perishable goods, etc.
- Medical waste, chemical waste, industrial waste, poisons, etc.
- Precious antiques, audiovisual products (e.g. CDs, audio tapes, video tapes, etc.), precious metals, precious stones, jewels, pearls, ivory, skins, fur, personal or corporate seals, passports, etc.
- Aerosol sprays, asbestos, butane lighters, strong magnetic materials, oxidizing substances, organic peroxides, etc.
- Goods that are considered illegal in the origin, transit and/or destination countries.
- Prohibited items that are listed by shipping carriers and airlines.
- The Service Provider may at its sole discretion refuse to accept other items not listed above.

(2) Restricted Items:

- Some shipping carriers have restrictions for batteries or goods containing batteries.
- Some shipping carriers have restrictions for goods that are boxed in wooden cases.
- Hongkong Post has restrictions for metal products.
- China-DHL has restrictions for wigs.
- Taiwan-DHL has restrictions for car players.
- China-FedEx has restrictions for branded LED products, goods (or its packaging) that have CE, UL, ROHS, RU, FCC or any certification labels, circuit boards, books, auto parts.
- Other restricted items updated by carriers occasionally.

4. Warehousing

- Prior to handing over any quantity of merchandise to the Service Provider for warehousing, the User has to login and create product information, which includes providing information such as product name, description, quantity, Declared Value etc, activate warehousing plan and create an ASN.
- The User is responsible to ensure the accuracy of the product information.
- We strongly recommend you (i) check product quantity for storing (ii) send a small sample to SFC , confirm the dimensions and weights and (iii) purchase adequate insurance to protect your goods during transit and storage.
- The User is responsible to ship the products from manufacturer.
- We reserve the right to refuse, dispose of and/or return at your cost any inventory we deem unfit, dangerous, requiring special attention, or otherwise interfering with our normal operations. You are also liable for any additional labor and materials needed to handle defective product or packaging.

- If you provide pre-packaged inventory, we may determine your packaging to be insufficient for shipping, and an outside box required. At our discretion, we may offer an outside box and packaging solution for an additional fee, or we may return the inventory to you at your cost.
- Disposal of your merchandise may be subject to additional handling and fees. Generally with respect to the cost of handling, the merchandise will be handled as a normal outbound order. However, damaged inventory, inventory requiring inspection or inventory that needs to be deconstructed prior to disposal (e.g removing batteries) may incur additional handling charges. Any disposal order will incur charges to cover a waste removal charge. Certified disposal is not recommended but can be arranged via a project if necessary. SFC at it's discretion may refuse to accept a disposal order. A sufficient available balance is needed to cover the cost of handling plus any additional fees. Storage fees will be required until all items are disposed of or shipped out.
- The Service Provider performs inspection before putaway.
- The Service Provider is responsible for safekeeping of products and damages or losses incurred while the Product is in possession of SFC. However, SFC is not liable for any losses or damages caused during handover.
- Penalty for Long-Term Storage: The Service Provider reserves the right to apply long term storage fee or require slow moving inventory be disposed of or shipped back at your cost. This is to discourage some users from abusing our warehouse facilities as a cheap dumping ground or storage option. For products that exceed 180 days (or 360 days) of storage, our system will further debit 2 times (or 4 times) of the actual Storage Space (Resource) from your Monthly Plan. This implies that you may need to purchase a larger Monthly Plan just to keep them in our fulfillment warehouse. If a SKU moved into our warehouse on two different dates and if only the first batch exceeded 180 days, then only those balance quantities from that first batch will be penalized. We use a first-in-first-out system to ensure that the older stock will always be moved out first.

5. Shipment

5.1 Receiving Orders

- The User is responsible to login to create orders for shipping fulfillment and is also responsible to ensure the accuracy of the order information.
- The Service Provider offer API integration with popular marketplaces to sync your orders. It is your responsibility to test the interface between SFC and Sell Tools. We recommend you test early and often. SFC is not responsible for translation issues, held orders, or any other issues related to communication with Connections. It is your responsibility to investigate all these features, set them up properly, do any testing, and inquire with SFC about any questions or concerns BEFORE going live with your online store. Please be responsible and test in small batches or individual orders. SFC is not responsible for e-commerce tool order submission errors or order cleanup.

5.2 Pick and Pack

- The User is responsible to ensure proper packaging for transportation, especially if the

items are expensive and/or fragile. The User is also responsible to include additional documents (e.g. permits, certificates, license, proofs, reports, etc.) that may be required for clearance at the Customs.

- The Service Provider is not responsible for breakage of items during transit that have been picked and packed by SFC.

5.3 Shipping Methods

The Service Provider offers multi-logistics service and the User has the right to choose the shipping courier.

5.4 Order Cancellation

Orders are no longer editable or cancelable after they are ready for processing. It is your responsibility to manage orders, and hold, edit or cancel orders prior to submission to a warehouse. If SFC, at its sole discretion, attempts to edit or cancel an order on your behalf after submission to a warehouse, this effort is done on a best effort basis, may result in the order being reported canceled but still shipping out. SFC reserves the right to edit dimensions and weight at its discretion, in an effort to ensure accurate shipping fees.

6. Fees, Billing and Payment

6.1 Fees

Rates and service quotations are estimates and will be based upon the information provided by you, but final rates and service may vary based upon the shipment actually tendered. Charges will be assessed at the rates effective the day the shipment is processed for fulfillment.

6.1.1 Shipping Fee

The shipping fee is the actual cost incurred based on the published rates on the Service Provider's website. The Service Provider has the rights to adjust the rates according to the market conditions and shall notify the User via email. If your actual product is greater than your product description, SFC will charge the actual cost

6.1.2 Insurance Fee

Compensation depends on the terms of the shipping carrier. The User may purchase additional insurance at the User Center.

Insurance is not available for Non-Registered International Air Mail (Postal Service).

Insurance is optional for Registered International Air Mail (Postal Service), but is mandatory if the Declared Value \geq 25 USD.

Insurance is mandatory for SFC Special Shipping Line and Express Service.

The Service Provider shall collect the Insurance Fee from the User. The Service Provider shall assist to file a claim on behalf of the User, but the User is responsible to provide proof. The User is liable for all consequences resulting from failure to provide satisfactory proof.

6.1.3 Return Shipping Fee

The parcel may be returned if delivery is unsuccessful or if the recipient refuses it. The Service Provider shall charge the Return Shipping Fee based the rates of the shipping carrier, plus any Customs clearance fee and warehouse fee which may incur during the return process.

6.1.4 Other Fees

The quotation does not include Customs clearance fee, warehouse fee (due to delayed clearance), duties, taxes, fines, etc. Such fees are not related to the Service Provider and not possible to quote prior to shipment. The Service Provider shall charge the User based on the actual bill received from the shipping carrier.

7. Billing and Payment

- The Service Provider uses a prepay system. The User has to deposit fund into the prepaid account, from which the Service Provider shall deduct service fees.
- The User should ensure the balance is sufficient for warehousing after putaway. For defaults on warehousing fee over 30 days (the Service Provider will send email notification), the Service Provider reserves the right to remove User's merchandise off shelf. For defaults on warehousing fee over 60 days (the Service Provider will send email notification), the Service Provider reserves the right to dispose User's merchandise at its discretion.
- The invoice can only be issued to the registered User on a monthly basis. The User may also have to provide the Service Provider with additional documents for accounting and tax records.

8. Delivery and Unsuccessful Delivery

8.1 Delivery

- The Service Provider is responsible to handover the parcel to the shipping carrier in an accurate, timely and safe manner.
- The User is responsible to ensure the accuracy of the recipient's address. The address must be complete and not just a P.O. box number or postal code.
- For postal service, the actual (or first) recipient may not necessary be the person whose name is printed on the Address Label.
- If the recipient's address is at a Collection Point, then the parcel shall be delivered to the Collection Point.

8.2 Unsuccessful Delivery

Delivery may be unsuccessful due to the following reasons:

- The recipient refuses the parcel or refuses to pay duties.
- The content is unacceptable or illegal in the transit and/or destination countries.
- The Customs feels that the declared information does not match the content. If the Customs requests for additional information from the actual consigner, then the User must deal with the Customs directly.
- The recipient cannot be confirmed or cannot be found.

8.3 Notification for Unsuccessful Delivery

- The Service Provider shall notify the User immediately about any abnormality and assist in the resolution.
- For abnormality related to a specific parcel or shipping order, the Service Provider shall post it on the User Center. The User is responsible to login and check for any abnormal issues and be co-operative with the Service Provider to resolve them.
- For general abnormalities that affect a wider group of Users, the Service Provider shall notify via emails and via announcements on the website. The User is responsible to ensure that the registered email address is valid and to check the email inbox and/or the announcements regularly.
- If the User fails to respond in time or if the Customs does not accept the User's response, then the Service Provider has the right to abandon the parcel and has no liability to the User or any person.

9. Reroute and Returns**9.1 Reroute**

- If the User selects to ship via Hongkong Post but the Service Provider is unable to meet the daily minimum total weight requirement set by Hongkong Post, then the Service Provider has the right to ship via a different (but equivalent) postal carrier. The shipping fee shall remain unchanged.
- If a parcel is returned to UK Processing Center, then the User has the option to reroute to another address. The Service Provider shall charge a new shipping fee and a Rerouting Fee of 50 RMB/package.
- For the special line service, the User can choose to resend or destroy returned goods, and the Service Provide shall inform the shipper of the handling fee and time limit in the form of the abnormal list.
- The parcel may be returned if delivery is unsuccessful or if the recipient refuses it. The Service Provider shall charge the Return Shipping Fee based on the rates of the shipping carrier, plus any Customs clearance fee and warehouse fee which may incur during the return process.

9.2 Returns

- The Service Provider cannot estimate or guarantee the time it will take to return to Shenzhen Processing Center.
- Upon receiving the returned parcel, the Service Provider shall hold it for 7 days, free of charge. The User has to advise the handling method within 7 days, otherwise the parcel shall be disposed.
- The Service Provider shall charge the actual fees associated with handling the returned parcel, including any fees that have already been paid on-behalf. If the User wants to dispose the parcel, then the Disposal Fee is 1 RMB/kg.
- If shipment entrusted by the sender to the service provider cannot be delivered due to factors listed in 8.2, such as return to domestic operation center of the service provider.
 - 1) The service provider shall not make commitment on the return time of the shipments, subject to the notice time of the service provider;

- 2) The service provider shall notify sender of the delayed returns by notifying sender in the form of issue shipment in shipping system, senders shall reply the Service Provider before stated date;
- 3) The Service provider process the shipment according to the requirements of User, the User shall cover the costs.

10. Delays

10.1 Causes

The Service Provider is not liable for delays due to causes beyond its control, including but not limited to, the following: Acts of God, natural disasters, wars, disruption in air or ground transportation networks, unexpected over-capacity, riots, civil commotions, terrorism, actions or inactions of unrelated Third Parties, strikes or other labor disputes. The Service Provider is also not liable for any audio, video, digital image or data losses.

10.2 Routes

The Service Provider and its shipping carriers decide the delivery route (which may include transit points). The Service Provider is not liable for delays due to the choice of delivery route.

10.3 Delivery Time

The delivery time that is published on the Service Provider's website is the period beginning from the moment when the shipping carrier has its first record to the moment when the parcel arrives at the final destination. It does not include pick-up, handling and sorting at the Processing Center, and clearance at the Customs. The delivery time is just an estimate (for reference purpose only) and not a guarantee. This cannot be used for filing a claim for delay.

11. Inquiry

11.1 Order Information

Order information and the associated financial transactions are available in the system for one month. For filing and record purposes, the User may download a spreadsheet from the User Center during this period.

11.2 Parcel

- Non-Registered International Air Mail (Postal Service) is not trackable. For all other shipping carriers, the tracking information is available at the Service Provider's website. The tracking result is considered up-to-date and accurate.
- If the parcel is damaged or lost after handover to the shipping carrier, then the Service Provider shall assist to file a claim. The procedure and compensation (if any) are based on the terms of the shipping carrier.
- The User can request the Service Provider to open an inquiry ticket with the shipping carrier if any of the following situations arise:
 - 1) There is no tracking information or no further update after a reasonable period of time.
 - 2) The parcel is not delivered successfully after a reasonable period of time.

- 3) The shipping carrier's website indicates successful delivery but the recipient has not received it yet.
 - 4) Damaged parcel, wrong parcel, missing items, missing quantities.
 - 5) There are additional unknown fees.
- The User (and the Service Provider) can only file a claim or open an inquiry ticket during a certain period defined by the shipping carrier.
 - The User must provide accurate order information during shipping. If this information does not match that provided during inquiry, or if the information does not meet the conditions for inquiry, then the shipping carrier has the right to deny the inquiry and the User is liable for all losses or consequences. The Service Provider shall offer full support and follow-up with the shipping carrier but is not responsible for late replies from the shipping carrier.

12. Claims

12.1 Conditions

The User (and the Service Provider) can only file a claim after the shipping carrier has completed its investigation. The User is responsible to provide proof.

12.2 Compensation

12.2.1 Total number or weight of parcels received from the User is different from the Delivery List

- Total number of parcels received from the User is different from the Delivery List:
The Service Provider shall verify with the User before handing over to the shipping carrier.

- Weight of parcel received from the User is different from the Delivery List:

1) International Air Mail (Postal Service):

If the weight difference is less than 100 g, then the Service Provider does not have to contact the User and the actual weight measured by the Service Provider shall prevail. If the weight difference is more than 100 g, then the Service Provider shall verify with the User before handing over to the shipping carrier. If the User did not input any information into the system, then the Service Provider does not have to contact the User and the actual weight measured by the Service Provider shall prevail.

2) SFC Special Shipping Line and Express Service:

If the weight difference is less than 500 g, then the Service Provider does not have to contact the User and the actual weight measured by the Service Provider shall prevail. If the weight difference is more than 500 g, then the Service Provider shall verify with the User before handing over to the shipping carrier.

The Service Provider is responsible for reporting the differences to the User only and is not liable for any losses due to the differences.

12.2.2 Lost

- Lost by Service Provider

If the parcel is lost after the User handover to the Service Provider and before the Service Provider handover to the shipping carrier, then the Service Provider shall be responsible. Compensation depends on the Declared Value (which the User inputs into the system) or the actual cost (on the invoice or receipt), whichever is lower. Maximum compensation is 100 USD/package.

- Lost by Shipping Carrier

If the parcel is lost after the Service Provider handover to the shipping carrier, then the shipping carrier shall be responsible. The Service Provider shall assist to file a claim. Compensation depends on the terms of the shipping carrier.

- Lost at Customs

The Service Provider is not liable for losses due to the parcel lost at Customs, partial content lost during Customs inspection, or confiscation by Customs.

- Counterfeits, Prohibited and Restricted Items

The Service Provider does not accept counterfeits and prohibited items that are listed in the Customs Law. The User must not tender such items for shipment. The User is liable for all consequences resulting from non-compliance and the Service Provider reserves the rights to pursue legal actions against the User.

12.2.3 Wrong Shipment

- If the recipient received a damaged or wrong parcel, then the User must provide photographs of the parcel and proof of shipment to the Service Provider.
- If it is not due to mishandling by the Service Provider, then the Service Provider shall assist to file a claim. Compensation depends on the Declared Value and terms of the Service Provider.
- If it is due to mishandling by the Service Provider, then the Service Provider shall resolve in one of the following methods, whichever is cheapest:
 - 1) Refund the shipping fee and compensate the Declared Value or the actual cost, whichever is lower.
 - 2) Pay the postage for returning to Shenzhen Processing Center (via Postal Service).
 - 3) Pay the postage for forwarding to the correct address (via Postal Service).

12.3 Others

- The Service Provider is responsible for direct losses only. Compensation shall not exceed the limit set by the shipping carrier.
- The Service Provider is not responsible for indirect losses, such as loss of profit, income, interest, or sales etc.
- The Service Provider is not responsible for any disputes on brand or quality of the User's goods.

13. Confidentiality

- The Service Provider is responsible to safekeep the User's document. The document is for account verification and no other purpose.
- The User shall not disclose sensitive business information to a Third Party. This includes,



but not limited to, agreed rates, financial status, logistics operations, procedures, system or technical information, etc.

- The User is responsible to safekeep the login password. The Service Provider is not liable for all consequences resulting from the lost of password.

14. Applicable Law and Dispute Resolution

Both parties shall use their best efforts to negotiate in good faith to resolve all controversies or disputes in an amicable manner. When negotiation fails, either party may file a lawsuit in the Service Provider's local court.

15. Severability

If any term of this Agreement is determined to be invalid, all other terms of this Agreement shall nevertheless remain in full force and effect.