

PAUL MORRELL POLICY STATEMENT

New Account Set-Up:

New accounts will be established with Paul Morrell when we receive a dated, current Credit Application signed by the owner or appropriate Corporate officer. All new customers will be placed on a C.O.D. or Credit Card Account basis until their credit is established with Paul Morrell Formalwear. Items sent to you C.O.D. will not appear on your monthly statement.

Payment Terms:

Our terms are Net 30 E.O.M. Paul Morrell also accepts MasterCard, Visa, Discover and American Express credit cards for wholesale payments. Overdue accounts are subject to a late payment charge at the current maximum allowable rate according to the laws of the state of Arkansas. A Service Charge of \$25.00 will be charged for each returned check. Accounts not meeting payment terms will be shipped C.O.D. until paid in full. Items sent to you C.O.D. will not appear on your monthly statement. We may add-on to C.O.D. shipments to collect past due balances. UPS does not accept cash for C.O.D. shipments so customers that have been assigned to "cash only" status will need to obtain cashiers checks, money orders or set up a secure Credit Card Account. We reserve the right to refuse shipment to any account who is delinquent in returning merchandise or in keeping their account paid up to date including rebill and replacement charges. All companies sending insufficient fund checks will be placed on C.O.D. cash immediately, unless we receive a call explaining the nature of the problem. We do not ship accounts who fail to pay finance or late charges. **Credit Card Accounts will be shipped "cash only" if the Credit Card is expired or disabled for any reason.** All accounts 60 days past due will be placed on COD or Credit Card until the account is current.

Cancellations and Credits:

Credit will not be issued after shipment has been made during the months of April thru August, and December. During all other months, cancellations will be accepted if received before noon on the Wednesday before use. If the unit has already been shipped your account will be charged a processing fee of \$20.00 plus freight, and credit for the remaining balance will be issued after the unit is returned promptly, clean, unused and with a note attached requesting credit. All requests for credit must be in writing and received by Paul Morrell within seven days of the original use date. You may cancel an order by calling Paul Morrell or cancelling the order online at PaulMorrellOnline.com. Cancellations must occur before the order has been printed or shipped. Credit Memos will not be sent to you, but will appear on your monthly statement. All new and used items returned to Paul Morrell will be charged a restocking fee of 20%. These sale items must be returned within 10 (ten) working days of invoice date. There will be no credit on "accessory only" orders after shipment. Paul Morrell will not credit or reimburse accounts or customers for any amount above the invoice cost of a rental or sale product due to problems caused by the lateness or inaccuracies of the rental or sale product. We do not assume any responsibility for lost "mark-up" as a result of any condition, occurrence, or negligence of Paul Morrell.

Important Information...Please Review:

Prom Season (April and May):

During Prom Season: (1) First and second choices are requested on all prom orders due to the heavy demand of the season. If substitutions are still necessary you will be notified immediately. (2) All orders will be processed in order of receipt. (3) Formalwear for Fashion Shows will be billed at one-half regular wholesale cost for up to three outfits during all months but April and May. During these months they will be billed at full wholesale cost. (4) Items not returned with the unit will be billed at the following prices; pocket squares \$10.00, all ties \$15.00, cummerbunds \$20.00, vests \$55.00. Should the customer want to purchase any of these items later, contact us for our regular sale prices. (5) There will be an additional charge for accessory changes made after the orders have been printed.

Peak Season (April thru August):

(1) Units ordered for "in store" Wednesday or before will be charged 1 1/2 rentals plus freight. (2) During Peak, "try-on" units are priced at full wholesale rental price. "Try-On" merchandise will be half price, plus shipping charges during all other months.

Returns, Rebills and Replacements:

Our Formalwear is rented for one use only and must be returned to us the first business day after use. Those not returned will be billed again on the third business day after use. After three rebills, your account will be charged replacement cost and the rebills will be credited.

Damaged and Lost Merchandise:

You are responsible for all lost or damaged merchandise and therefore, should hold your customer responsible. Lost items will be billed at replacement cost. (Please call for a quote on damaged merchandise.) Garment bags not returned will be charged to your account at \$10.00 each. Effective for 2011 the \$2.00 ADW (Accidental Damage Wavier) is no longer an "Add-On" charge, it is included in our rental pricing. This waiver does not apply to lost merchandise or malicious damage.

Holiday Information:

We are closed on the following Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Our Christmas Eve and New Year's Eve hours are 9:00 a.m. till 4:00 p.m.

Notice:

Phone orders may be recorded for verification purposes. Prices, selection and policies are subject to change without notice. You may reach us via e-mail at info@paulmorrell.com. Sleeve Alterations are \$2.00 per coat.

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Shipping (Open and COD Accounts):

Shipping Charges:

If your orders are placed on or before the Saturday before use we pay shipping charges to you on all rental orders over \$85.00. The minimum shipping and handling charge for orders under \$85.00 is \$9.50. Third party billing is now available...we can now bill freight charges to your UPS account. For Drop Shipments, all shipping costs plus a \$6.00 fee per address per week will be charged to your account. We do not pay the Collect Fee on C.O.D. Shipments. We pay shipping costs for correction merchandise due to our error, you pay shipping costs for corrections due to your error. Freight carriers charge service fees in addition to freight costs for Saturday Delivery and Early AM boxes. Freight carriers also reserve the right to apply a fuel surcharge to freight costs and service fees. All local PM truck deliveries for shipments of less than \$85.00 will be charged a \$5.00 delivery fee. Sale orders are charged freight.

Early Delivery Orders:

Shipping Charges for orders requesting **early delivery (Monday, Tuesday or Wednesday)**, which require a carrier other than ground Service, will be charged to you even if over the \$85.00 minimum.

Late Orders:

Late Orders are those placed after the Saturday before use. Shipping charges for **Late Orders** which require a carrier other than Ground Service will be charged to you, even if the order exceeds the **\$85.00 minimum**. You will be responsible for these charges whether the order is used or not. Please be aware that all orders should be submitted as early as possible and that late orders may not be processed until earlier orders have been shipped.

Shipping Charge Refunds:

Requests for freight refunds must be made within 15 calendar days from the date of the scheduled delivery. Return Service Tags and Call Tags are issued every Friday for Monday pick-up and cancellations must be made by 2pm Friday afternoon. UPS Call Tag costs include the service fee plus the ground freight costs. The service fee for refused UPS Call Tags that have been issued cannot be credited. Please mail UPS RS Tags to PM, attention Shipping Manager, for credit. Freight charges for shipments delayed due to nature or natural disasters will not be credited. Freight Carriers do not assume any responsibility in these cases. Return costs on refused boxes will be applied to your account unless due to service failure.

Dimensional Weight:

Dimensional weight represents the weight of a box as determined by the amount of space it occupies in the carriers vehicle and facility. If the shape and size of the box causes a space requirement beyond the actual space used by the box, the freight carrier will charge dimensional weight. Freight carriers, not Paul Morrell, determine if the freight cost will be determined by the actual weight or dimensional weight. *Dimensional weight is calculated by multiplying the length x width x height and dividing by 166 (for domestic shipments). **Please pack carefully...no bulging sides! ***2011 UPS Rate and Service Guide.*****

Return Shipping Charges: WE NOW OFFER TWO NEW DISCOUNT OPTIONS FOR RETURNING MERCHANDISE TO PAUL MORRELL.

RECEIVING DISCOUNTS ON YOUR RETURN MERCHANDISE SHIPMENTS REQUIRES APPLICATION FOR THE SERVICE YOU PREFER.

A RETURN SERVICES APPLICATION CAN BE FAXED OR EMAILED TO YOU or DOWNLOADED FROM PAULMORRELL.COM. Read More Below.

(1) In-Store Pick-Up Option:

IF YOU WOULD LIKE PAUL MORRELL TO MAKE ALL THE ARRANGEMENTS FOR UPS TO PICK UP YOUR RETURNS, SELECT THIS OPTION.*** UPS will come to your location on Monday with a label for each box and pick up your returns. If all of your boxes are not ready for pickup on Monday, they will return on Tuesday and Wednesday to pick-up remaining boxes. You may consolidate boxes. *****If your orders total \$200.00 or more** at the time we ship your orders (which is normally the week before use) your total expense for returning merchandise to Paul Morrell is **\$10.00 per box for each box scanned by UPS before midnight on the Wednesday after use.** After the Wednesday following use, all arrangements for boxes shipped to Paul Morrell must be made by you, and all fees, late fees and freight charges including the \$10.00 return label fee(s) will be your expense whether used or not.

*****If your order total is less than \$200.00** pick-up arrangements will still be made for your returns, but the charges billed to you will include the Commercial Rate (NOT RETAIL) UPS Ground shipping charges plus the Pick-up Service fee of \$5.00 per box. After the Wednesday following use, all arrangements for boxes shipped to Paul Morrell must be made by you, and all fees, late fees and freight charges including the \$5.00 return label fee(s) will be your expense whether used or not.

(2) Drop Off Option:

IF YOU WOULD LIKE TO DELIVER YOUR RETURNS TO A UPS AUTHORIZED SHIPPING LOCATION, or GIVE THEM TO A UPS DRIVER, PAUL MORRELL WILL ENCLOSE A UPS RETURN LABEL IN EACH OF YOUR BOXES TO ENABLE YOU TO DO SO AT COMMERCIAL (NOT RETAIL) RATES.*** *****If your orders total \$200.00 or more** at the time we ship your orders (which is normally the week before use) the total expense for returning merchandise is **\$5.00 per box for all boxes scanned by UPS before midnight on the Wednesday after use.** After the Wednesday following use, all arrangements for boxes shipped to Paul Morrell must be made by you, and all fees, late fees and freight charges including the \$5.00 return label fee(s) will be your expense whether used or not. ***** If your order total is less than \$200.00** the charges billed to you will be the UPS Ground shipping charges plus the Service Fee of \$5.00 per box. You can give the box to a UPS package car driver or take the box to your closest UPS authorized shipping location. After the Wednesday following use, all arrangements for boxes shipped to Paul Morrell must be made by you, and all fees, late fees and freight charges including the \$5.00 return label fee(s) will be your expense whether used or not.

(3) None of the Above: I understand I am responsible for arranging all of my return shipments to Paul Morrell. Rental merchandise is due back to Paul Morrell Formalwear by the Thursday following the week of use to avoid late fees.