



VENDOR MANUAL

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SCHEDULE OF CHANGES

Date	Change
29-Jun-2021	Added Certification of Liability Insurance Appendix
13-Dec-2021	Updated price tag images
13-Dec-2021	Updated ASN consolidation requirement
27-Feb-2021	Updated Non-Compliance Fees for handling of returning damaged units
25-Aug-2022	Removed requirements: <ul style="list-style-type: none"> • Factories must use POL (partial overlap corrugated) cartons. All flaps must have the same length and outer flaps overlap by one inch (3cm). • The carton size must fall between the maximum and minimum sizes listed in the table below. Now only a recommended carton size. • Simplified carton label requirements • Pallets with 4-way entry are required. The opening must be wide enough to allow a standard pallet jack to fit.
25-Aug-2022	Updated Non-Compliance Fees for: <ul style="list-style-type: none"> • Under/over-shipments • Late shipments • No packing list • No ASN • Damaged shipment
25-Aug-2022	Updated accepted UPC/EAN formats
10-Oct-2022	Simplified application of the Marketing Development Fund (MDF)
21-Apr-2023	Removed CHEP pallet requirement
8-May-2023	Removed Upholstered and Stuffed Articles requirement
14-Sep-2023	Discrepancy returns must be resolved within 30 days
20-Sep-2023	If sending a Nexus ASN, an EDI 856 ASN is not also required
14-03-2024	Apparel Packing Methods added
26-Mar-2024	Individual cartons must not weight more than 40lbs (18kg)
23-Apr-2024	Barcode sticker templates updated
11-Jun-2024	ASN requirement for lot/batch numbers and expiry dates for relevant products (i.e. food)
07-Nov-2024	Updated roll packing with loose and flat packing requirements
07-Nov-2024	Added desiccant use during shipping requirement

Revised: 07-Nov-2024

CHAPTER 1: DOING BUSINESS WITH MEC

1.1: MEC Contact Information

Distribution centre delivery appointment booking	Bookings@mec.ca
EDI and vendor compliance	EDI@mec.ca
Finance accounts payable	Accounts.Payable@mec.ca
Logistics, customs, and transportation	Logistics@mec.ca
Merchandising buyer group	www.mec.ca/vendor/buyergroups
Product digital assets (including images and videos)	MECProduct.Photos@mec.ca
Product information (excluding images and videos)	Product.Info@mec.ca
Retail staff product training	Ops.learning@mec.ca
Sustainability	Sustainability@mec.ca
Warranty and returns	WR@mec.ca

1.2: Business Documentation

MEC, and other terms such as “We” or “Us,” are used interchangeably throughout the Vendor Manual; all refer to MEC Mountain Equipment Company Ltd.

Vendor, Supplier, and other terms such as “You” are used interchangeably; all refer to anyone or any organization that provides goods or services to MEC in exchange for remuneration.

Manufacturer or Factory refers to the organization that is directly involved in the process of making a Product for MEC. The manufacturer may be the same as the Vendor or may be a different organization when there is an agent acting on their behalf.

a. Certification of Liability Insurance

By January 1st of each year (and at any other time requested by MEC) you must provide MEC a Certificate of Insurance evidencing your insurance coverage to EDI@mec.ca. Specific requirements relating to insurance are set out in the General Terms and Conditions of Supply. See [Appendix A](#) for more information.

b. Regulations

Bilingual Requirements

Canada has two official languages: English and French. The Office Québécois de la langue Française (OQLF) requires Products and their packaging to be labelled in both French and English. This includes Product descriptions, marketing materials, instruction manuals and any other consumer-facing documentation.

Textile and Advertising Regulations

Through the [Textile and Advertising Regulations](#), the Competition Bureau branch of the Canadian Government requires consumer products to bear accurate and meaningful labelling information to:

- Help consumers with making informed purchasing decisions.
- Prohibit false or misleading representations.

At the minimum, all products must include the following on the principal label:

- Fibre content
- Country of origin
- Dealer's name and principal place of business (or a CA number)

The Competition Bureau provides an online [worksheet](#) to help Vendors comply with labelling regulations. For more information, visit the [Government of Canada's website](#).

Care and Content Labels

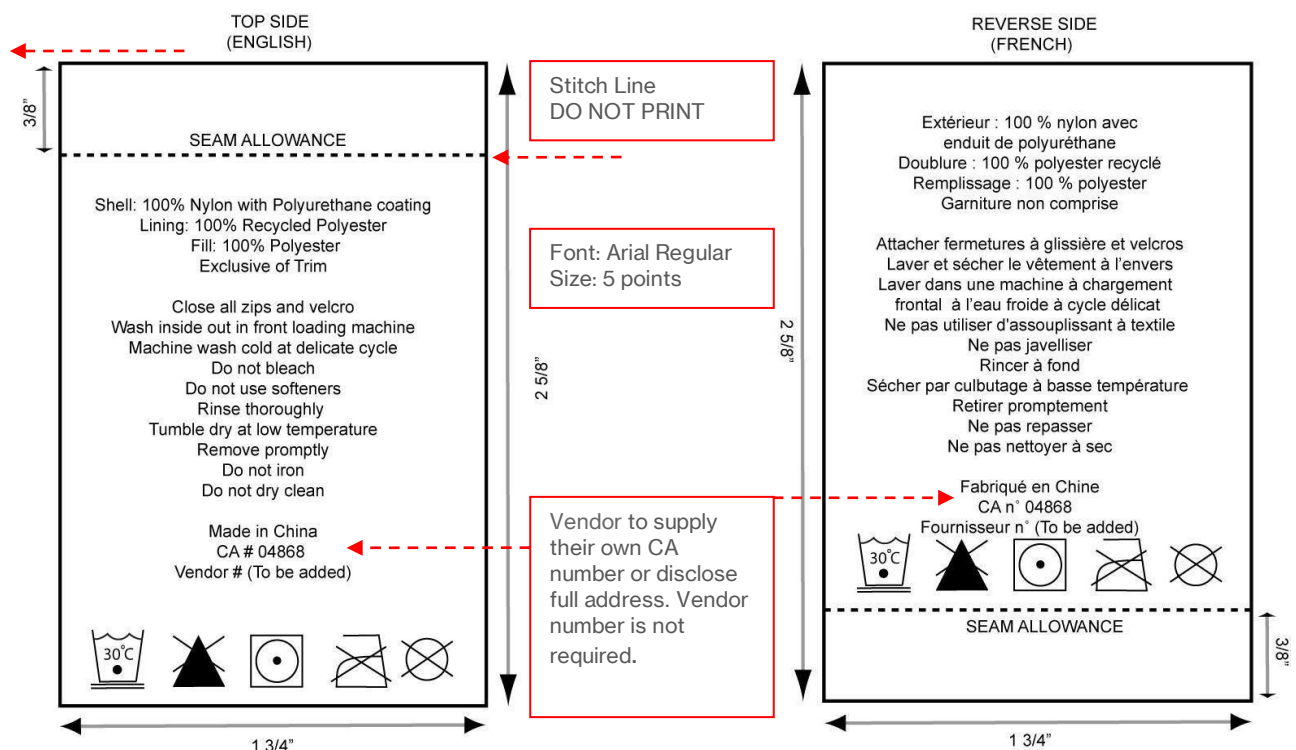
A Care and Content label is required on all textile products.

- The label must disclose the textile fibre content by mass in percentage.
- Generic nomenclature must be used (e.g., cotton, nylon) on the label, rather than proprietary fibre naming.
- The content and care instructions must be printed in both of Canada's official languages: English and French.

A sample artwork of the Care and Content label is provided below for your reference. Vendors must produce their own version of this label. We recommend you produce a label similar to the artwork below. In accordance with the Textile Labelling and Advertising Regulations, Vendors are required to include their dealer identity on the label. This may be disclosed by providing:

- The full name and full address under which the Vendor normally carries out their business.
- The CA Number for Vendors located in Canada. The CA is an identification number obtained by applying to a Competition Bureau office of Industry Canada and registered for the exclusive use of the Vendor.

Note: RN Numbers are only valid for the United States and are not a substitute for a business name and postal address or CA Identification Number on the label of consumer textile articles.



Country of Origin

The Marking of Imported Goods Regulations require the country of origin to be marked in a manner that is legible, sufficiently permanent, and capable of being seen easily under normal handling of the goods or their containers. To meet this requirement, the country of origin must be indicated in both English and French.

1.3: Electronic Data Interchange (EDI)

EDI is the exchange of digital transactional documents between MEC and their Vendors. EDI is a requirement to partner with MEC. SPS Commerce is MEC's EDI software provider. Your EDI solution must have the following EDI document types: 850 Purchase Order (PO), 855 Purchase Order Acknowledgment (POA), 860 Purchase Order Change (POC), 856 Advanced Shipment Notice (ASN), 810 Invoice. See more information here: <https://community.spscommerce.com/mec-fulfillment-initiative/>

1.4: Data Security and Privacy

Protection of Sensitive Information: All MEC Vendors will ensure that they protect all sensitive MEC information that they have access to. Vendors will need to ensure that; (a) appropriate level of care is applied when handling sensitive information by ensuring that the storage, use and securing of information meets MEC information security and privacy standards, (b) that information is stored securely, transferred/shared through secure methods such as encryption and only accessed by those individuals that have a need to know, and (c) comply with any other requirement, standard, guideline or policy provided by MEC.

Access to Information Systems: At times, Vendors may get access to information systems that MEC authorizes. Vendors need to ensure that (a) all user accounts are explicitly used in an authorized manner and is exclusive by the individual the user account was granted to and is not shared or redistributed to others. MEC must be notified when user accounts need to be updated or disabled and, (b) access to information systems must not be used to transmit malicious documentation or information and must not be used to breach or attempt to breach MEC systems or network.

Unacceptable Usage: Vendors must ensure that they do not use MEC sensitive information in a manner that violates applicable laws and regulations under local, provincial, federal, or international governing bodies. Vendors must not make any changes to the information or use the information in any way that may violate the terms of the Vendor Manual or General Terms and Conditions of Supply.

Vendor Privacy Code: Vendors must comply with the Vendor Privacy and Security Protection Code.

1.5: Social Compliance, Sustainability, and Environmental Stewardship

MEC is an ethical, values-driven organization. We operate as a positive model of social, environmental, and economic responsibility and undertake commitments in support of these values. Social compliance is part of MEC's evaluation of Vendor quality and service capabilities.

a. MEC Vendor Code of Conduct

All Vendors are required to certify that their Products are sourced, developed, and manufactured in compliance with the MEC Vendor Code of Conduct. The Code defines for you, the Vendor, the minimum

standards we hold ourselves accountable to as an ethical organization and expect you to meet. We monitor compliance and require full and open access to the facilities in which our Products are made.

b. Vendor Sustainability Expectations

As part of our ongoing social and environmental initiatives, we recognize that our Vendors play an important role in our sustainability journey. We have the unique position to lead with our own product and support the industry to make a significant environment impact. MEC requires our Vendors to adhere to our Sustainability Expectations, as a mechanism for continuous and long-term improvement. MEC expects all Products sourced from Vendor partners to meet the expectations regarding key environmental, social, and animal welfare impacts as set out in [Appendix B](#).

c. Source Country Prohibitions and Conditions

MEC shall not do business in countries under economic and trade enforcement measures or sanctions agreed to by the UN Security Council and/or the Canadian Government because of their human rights records. These countries can be found in the resources available at the following links:

- [UN Security Counsel](#)
- [Canadian Government](#)

For countries or specific regions that are not under sanction by the UN or the Government of Canada, but where there are prevalent human right violations, MEC may take additional steps to align with our mission and values. These steps include (i) not sourcing products from these countries, or (ii) where MEC or a vendor's purchasing power could offer a positive impact to address human rights violations, MEC may allow some sourcing but with additional requirements to try and help ameliorate the issues.

MEC's Social and Environmental Responsibility program is continually monitoring country risk and will update the list of countries or regions MEC will not source from or will only source from with conditions on an ongoing basis. To the extent MEC has knowledge of Vendor supply chain, MEC may notify Vendors with styles affected by any changes in MEC's list of banned source countries to work on a transition plan.

The following countries and regions are subject to restrictions. This list may change from time-to-time:

- As of November 2017, MEC is not sourcing products from Myanmar due to continued and egregious human rights violations suffered by marginalized communities.
- As of 2018, MEC continues to engage the Prime Minister's office in Cambodia to reverse the declining democracy around freedom of association and the protection of human rights defenders. Where a Vendor is manufacturing in Cambodia, MEC expects the Vendor to be engaging with the Cambodian government alongside the American Apparel and Footwear Association and Fair Labour Association to outline demands for the country to return to a democratic and free society.
- As of late 2019, MEC continues to monitor and assess risk in the western province of Xinjiang, China and the Uighur population and other minorities who are part of forced labour schemes. MEC expects Vendors sourcing from China to have conducted supply chain transparency due diligence to confirm there are zero ties to the Xinjiang region, Pairing Program, or other forms of forced labour in all components and products sold at MEC.

From time-to-time, MEC may require Vendors to sign declarations relating to the Vendor's sourcing practices. In addition, a Vendor is required to notify MEC immediately if at any point the Vendor obtains knowledge of: (i) any forced labour in the Vendor's supply chain; or (ii) that the Vendor is sourcing Products or materials from the regions identified in MEC's list of banned source countries or countries of concern.

d. Environmental Certifications and Claims

MEC expects all Products sourced from Vendor partners to meet the expectations regarding key environmental, social, and animal welfare impacts as set out in [Appendix C](#). If your Products have achieved any environmental certifications or ratings, or make any other environmental claims, you will need to provide MEC with supporting information.

e. Restricted Substances List (RSL)

MEC expects each Vendor to have in place an RSL that meets or exceeds all applicable regulatory requirements in the *Canadian Environmental Protection Act, 1999*.

f. Sustainable Apparel Coalition (SAC)

As part of our ongoing social and environmental initiatives, we are engaging with the Sustainable Apparel Coalition's Higg Index in various ways. Going forward, MEC requires our Vendors to engage with the Higg Index tools, as a mechanism for continuous and long-term improvement. Please refer to [Appendix B](#) for Higg Index requirements.

g. Supplier Team Evaluation Program (STEP)

All Vendors supplying MEC-brand Products are required to participate in MEC's Supplier Team Evaluation Program (STEP). STEP ensures that MEC Products are sourced, developed, and manufactured in compliance with the MEC Vendor Code of Conduct. Please refer to [Appendix I](#) for details on STEP.

CHAPTER 2: PURCHASE ORDERS

2.1: Purchase Orders (POs)

All goods and services to be sold to MEC require a Purchase Order (PO). The PO is the detailed binding commercial document between MEC and our Vendors indicating the products, quantities and agreed prices for Products that the Vendor will provide. Additional terms and conditions relating to POs are set out in the General Terms and Conditions of Supply.

The following PO terms have the following meanings:

- **Requested Ship Date:** is the latest date the shipment has to leave the Vendor facility in order to have products delivered before Cancel Date.
- **Requested Delivery Date:** is the earliest date MEC or its authorized agent will accept appointments to receive your Products. MEC will set up appointments with Vendors between the provided requested delivery date and the Cancel Date.
- **Cancel Date:** is the date on which (a) MEC may cancel your PO or (b) apply cancellation or late shipment fees, if your Products are not received at a MEC designated facility by the provided cancel date. If you are unable to have Products shipped to the MEC designated facility by the Cancel Date, you must immediately inform MEC via an EDI 855 document to avoid late shipment fees or rejection of Products at MEC designated facility. MEC is not required to accept any changes to a PO, and MEC may, but not obligated to, accept late POs in its sole discretion of MEC.
- **Bill To:** is where you will send the invoices for the PO.
- **Ship From:** is the location where you will be shipping out your products. If your ship from address is different from what is stated on the PO, please advise your Buyer Group.
- **Ship To:** MEC designated warehousing facility or store, where most POs are to be delivered.

- **Vendor:** is your Head Office business address the invoice is to be paid to.
- **Stock Keeping Units (SKU):** SKU is a unique identifier for each distinct Product stocked by MEC. We differentiate a SKU by type of Product, size, and colour.
- **Incoterms:** are standard trade definitions used in international sales contracts. All MEC POs include an Incoterm (e.g., DDP, EXW, FOB). For more information and the definition of individual Incoterms, see the official interpretation of trade terms published by the [International Chamber of Commerce](#).

a. Purchase Order Acknowledgement (POA)

The POA is to be delivered electronically via EDI 855 document, acknowledging that the Vendor agrees with the terms, prices, ship date and quantities specified on the PO. POs need to be acknowledged by Vendors within 48 hours of receipt of POs. Shipment of a PO without acknowledgment to MEC may be rejected and returned by MEC in its sole discretion. If a PO acknowledgement has not been received after 30 days, the PO will be assumed to be confirmed in full.

Vendors must inform MEC of changes to POs by specifying the change details (i.e., quantity, date, price, and terms specified) prior to shipment via EDI document 855. MEC may, but is not required to, accept any changes to POs. If MEC does accept the changes to the PO, a new or revised PO will be issued by MEC confirming the changes. Differences between POs and Advanced Shipment Notifications (ASN) or receipts at MEC designated facility will not be paid for and will be subject to the fees in [Appendix H](#).

Vendors with Incoterms EXW or FOB are required to ship out Products before the **Requested Ship Date** on the PO to ensure the shipment arrives before the Cancel Date.

2.2: Product Labelling

a. Overview

Proper labelling of all products sold by MEC is required. It is your responsibility to check that your products meet all applicable laws. In addition, MEC has certain labelling requirements to facilitate the flow of goods through our supply chain. Products that fail to comply with all applicable laws, and/or MEC's requirements, will be returned at the Vendor's expense. No further POs will be issued until all labelling requirements are met.

b. Product Safety Expectations

MEC takes product safety very seriously. Part of our commitment to quality is ensuring customers and members trust the safety of our products. As a Vendor, you play a key role in maintaining product safety standards.

It is your responsibility to ensure every Product you supply to MEC conforms to all Canadian rules and regulations. Please refer to the [Canada Consumer Product Safety Act \(CCPSA\)](#) for more information. Furthermore, as your Product may be sold to our members in the USA, it is strongly recommended that you are aware of the similar regulation in the USA – [US Consumer Product Safety Improvement Act \(CPSIA\)](#).

c. Barcode and Hangtag Requirements

MEC Approved Barcode Stickers

All MEC Products must have MEC approved barcode stickers affixed to MEC hangtags. It is the Vendor's responsibility to produce and validate barcode stickers. The information required on each barcode sticker

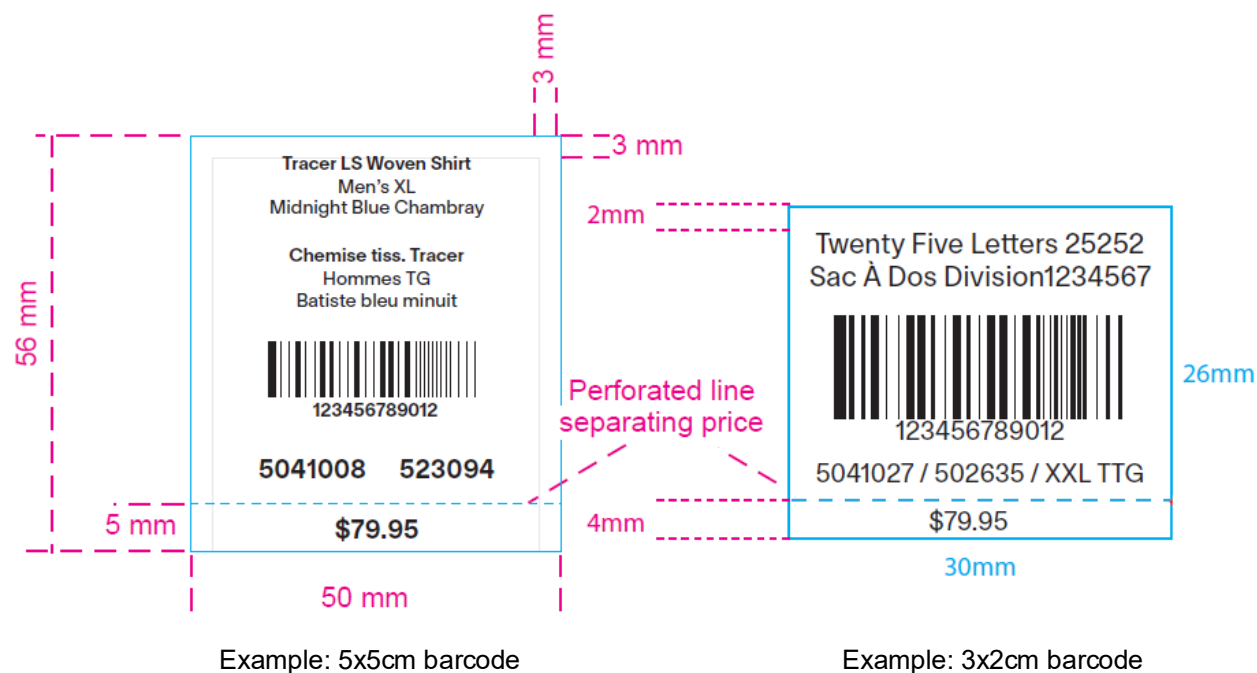
with retail pricing will be provided to you by your Production Specialist upon confirmation of a Purchase Order. Vendors are responsible for:

- Ordering MEC hangtags from the MEC approved suppliers.
- Adhering to MEC's instructions, including the information required on the barcode stickers inclusive of retail pricing.
- Following the barcode sticker size and placement guidelines as stated on the Bill of Materials
- Ensuring barcode stickers are printed by their required deadline to avoid ex-factory delays.
- Ensuring enough barcode stickers are printed to account for wastage.
- Attaching a barcode sticker to all cartons - see the Carton Labelling section for further details.


Any re-work due to incorrect barcode or scanning failure where Vendor is at fault will be charged back to the Vendor. Any modifications to the required barcode sticker information, technical specifications or placement guidelines provided by MEC are prohibited without prior written approval from MEC.

Barcode Technical Specifications

- MEC Production team will provide 12-digit UPC barcode data 1-2 months after POs are issued.
- Create barcode at the SKU level based on the below template images.
- Print barcode on the correct sticker size. Sticker sizes are dependent on the Product, please reference your technical specification package for details.
- Contact MEC Production for any questions.



Example of Barcode Placement

5x5-R2 cm barcode sticker	Affix to centre back of MEC Hangtag Center evenly against marked guidelines	
3x2 R2 cm barcode sticker	Affix to centre back of MEC Hangtag Center evenly against marked guidelines	

MEC Hangtags

All MEC Products require MEC hangtags which are to be ordered through an MEC approved suppliers. The Bill of Materials specification will detail which suppliers should be used. Note that, the size of the hangtag will vary depending on the Product and will be specified in the Bill of Materials.

2.3: Product Packaging

a. General Packaging Information

Proper packaging ensures faster handling, and less damage to shipments. Proper packaging also improves our processing at the MEC designated facilities and stores and allows us to quickly merchandise your Products. Footwear products are required to be shipped in shoe boxes.

b. Sustainable Packaging at MEC

MEC has a strong commitment to social and environmental responsibility; sustainable packaging is a key element of our strategy. By receiving products in packaging that is recoverable in our recycling programs, MEC saves close to \$100,000 per year in avoided landfill costs. Our priority is to ensure Products arrive undamaged and in good condition, while:

- Identifying opportunities to reduce the amount of packaging materials we receive; and
- Maximizing the recyclability of the packaging we deal with.

We encourage the use of cardboard with a high post-consumer waste content and vegetable ink and discourage using blister or multi-material packaging. Wherever possible, we encourage previously used materials to enhance packing. The use of newspaper, Styrofoam chips, or any other filling material, is not permitted.

c. Packaging Process



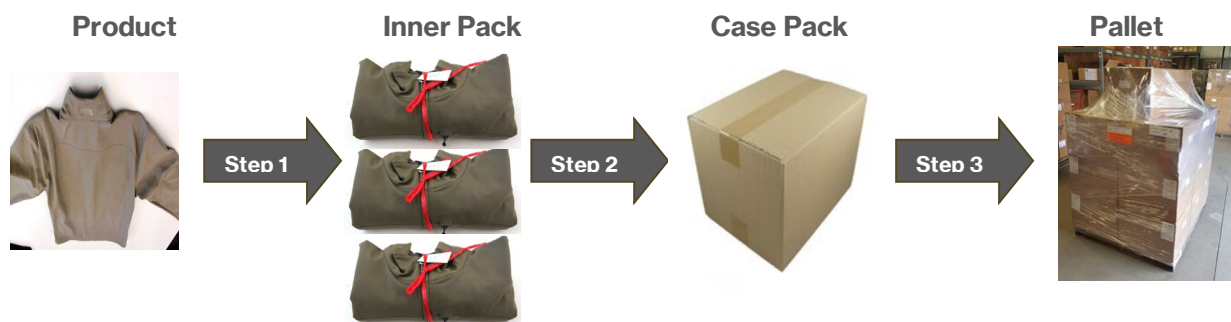
d. Apparel Packing Methods

MEC has 3 types of packing methods for apparel products as follows. The type of packing method will be specified in the Style's Tech Packs. Please see [Appendix E](#) for packing instructions.

- Loose packing: fold flat without individual poly bag and packed loose into carton liner
- Flat packing: fold flat and pack into individual poly bag (poly bag to be sourced by factory, unless requested otherwise by MEC).

e. Putting your Product into Inner Packs

Some products require Inner Packs to improve handling and reduce damage at MEC designated facilities. An Inner Pack consists of items that are bundled or grouped together prior to being placed in a Case Pack. Example: A Case Pack of 60 with an Inner Pack of 12 means the carton contains a total of 60 units and the 60 units are grouped together in 5 smaller packs containing 12 units each.



Our PO will clearly define the Inner Pack requirements of a specific item. Only one SKU per Inner Pack is allowed. The Inner Pack quantities should not be changed without approval or request from MEC. An Inner

Pack should include a scannable UPC/EAN along with the total item quantity inside. Additionally, each unit within the inner pack should have an individual scannable UPC/EAN label.

Pressing/Ironing

All apparel must be flat pressed prior to packing unless otherwise specified by MEC.

Packaging Material Specifications

Restricted Substances	Required Materials
<ul style="list-style-type: none"> ✗ PVC (Polyvinyl Chloride) ✗ Staples ✗ “Degradable” and “compostable” plastics ✗ Coated paper (laminated, varnished, waxed etc.) ✗ Materials derived from wood or pulp originating in native old growth or frontier forests 	<p>Bags with an opening circumference of 14” (36cm) or larger that must bear a suffocation hazard warning.</p> <ul style="list-style-type: none"> • Minimum font size of 12 pt • BOLD CAPITAL letters • Text printed in both French and English <p>Carton liner for overseas shipments appropriate to the dimension of the carton. (i.e., the liner should be large enough so that it comes back up along all sides of the carton and can be folded over the top of the carton content).</p> <p>For MEC branded products, a sample of the packaging materials must be submitted to MEC for reference and approval prior to bulk production.</p>

	Unacceptable Packing	Preferred Packing
General		<ul style="list-style-type: none"> ✓ We encourage the use of recycled materials. Primary packaging or unit design that eliminates or minimizes other packaging materials. ✓ 100% recycled with post-consumer recycled content 25% or above (<u>certified by FSC</u> or other) ✓ Materials that can be separated easily (i.e., use insert cards in poly bags to maintain recyclability instead of labels; avoid multiple components) ✓ Unbleached, certified, and verified fiber sources (i.e., Forest Stewardship Certified (FSC), Rainforest Alliance certified) ✓ To mitigate the risk of moisture damage, desiccants such as silica gel or Micropak are required in each carton or polybag.
Roll packing	<ul style="list-style-type: none"> ✗ More than >1 raffia tie per unit ✗ Extra packaging materials (i.e., tissue, tape and cardboard stiffeners) 	<ul style="list-style-type: none"> ✓ Plastic/polyethylene film carton liner #4 LDPE plastic ✓ Raffia ties that are uncoloured or white to avoid possible dye migration from the tie onto the product. Note: coloured raffia ties used in the illustration of this Vendor Manual are for a visual representation only.
Flat Packing	<ul style="list-style-type: none"> ✗ Bag size more than 2x unit pack dimensions. ✗ More than >1 plastic bag per unit 	<ul style="list-style-type: none"> ✓ 1 master polybag per case pack ✓ Elimination of polybag, foam, and bubble packaging; Alternately, use #2 or #4 LDPE Self-sealing bags 1mm thick made with recycled content. Ensure the hangtags and barcode tickets are held in place by a tie. The UPC or barcode ticket must be situated with the barcode face up for easy scanning. All polybags must be supplied by the Vendor.

f. Putting your Inner Packs into Case Packs

Once in Inner Packs, Products should then be put into cartons to form Case Packs. A case pack is the total number of items in a master carton or carton.

Example: a case pack of 60 pieces with an inner pack of 12 pieces means that the master carton contains a total of 60 pieces packed in 5 bundles of 12 pieces each.

Case Pack Quantity and Carton Sizes

- Case Pack quantities and carton sizes must remain consistent within the same SKU for subsequent POs, and they may not be changed without approval or a request from MEC.
- MEC POs will show the Case Pack quantity in one of following two ways:
- Case Pack quantity is greater than 1: When you pack, the number of units per carton must correspond with what is specified on the PO. If it indicates “Case Pack = 30”, you must put 30 units into a carton.
- Case Pack quantity is 1: Certain products will not have a pre-designated Case Pack. For those Products, the Case Pack is set to 1. You may pack as many pieces of a single SKU as you can inside your chosen carton, provided it conforms to our acceptable carton sizes.

Carton Requirements

- All cartons arriving at MEC designated facilities must be of sufficiently high quality to maintain their shape and integrity throughout transportation. It is the Vendor’s responsibility to ensure the correct carton for the packaged goods is chosen. See [Appendix D](#) for carton mixing examples.
- Where approved by MEC, mixed cartons are acceptable. The SKUs must be very clearly separated with cardboard, or a clear divider added between Products. **‘MIXED CARTON’** must be written on the outside of the carton for easier receipt at MEC designated facilities. Failure to clearly mark will be subject to Non-Compliance Fees.
- Double-corrugated paper grade is required for shipments on skids/pallets where cartons are stacked more than three levels high.
- Minimum required burst strength must be 200 pounds per square inch.
- Ideal carton sizes are **24x16” (61x41cm) with a height of 12-15” (31-38cm)** as measured from the *outside* of carton.

Carton Packing Requirements

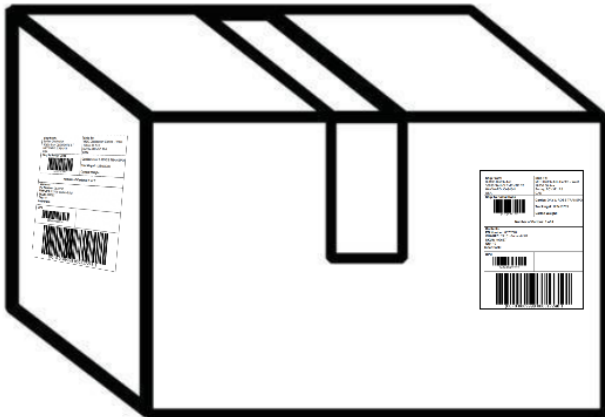
- Maximum allowable weight per carton is 40lbs (18kg); carton must be easily handled by one person.
- Cartons should be packed within 1” (3cm) from the top of the carton. Excessive empty space is not acceptable; the carton sides must be cut down to appropriately fit the content.
- Filling materials of any kind are not acceptable, except Kraft paper when necessary.
- Do not overfill cartons. Carton bulging or instability is not acceptable.
- Only one PO per carton is allowed. Mixing POs in a single carton is not acceptable.
- The SKUs must be clearly separated inside the carton using a divider (such as paper) and the carton must be clearly labelled to indicate they contain mixed SKUs.

Carton Sealing Requirements

- For air shipments, an “H” taping pattern along the top and bottom of open carton slits is required. For all other modes of transportation, it is at the Vendor’s discretion.
- Sealing tape with a manufacturer pattern is recommended to help identify whether cartons have been opened in transit.
- Ensure sealing tape (if opaque or containing a pattern) does not cover or hide the carton labelling/markings.
- Use of alternative or additional seals is not acceptable. See [Appendix D](#) for Packing Examples.


Carton Marking/Labelling

- Two labels are required on the long and short sides of the carton.



- Each label is required to include the following information. If you fail to include one or more of the required items below, Non-Compliance Fees will apply. Legible hand-written label information is allowed.
 - Vendor's name
 - MEC designated facility Name and complete address
 - MEC PO number
 - UPC/EAN number
 - MEC SKU (optional)
 - Vendor part number (optional)
 - When cartons contain mixed SKUs, the label must clearly identify the carton as a "Mixed Carton" and list out each UPC and quantity the carton contains.
 - Quantity (total quantity of units in the carton, by SKU)
 - Case and Inner pack quantities (optional, if applicable)
 - Carton number (e.g., carton 1 of 2)
 - Carton weight

Example Label Format

Ship From: Buffalo Distribution 30830 SAN CLEMENTE ST HAYWARD, CA94544 USA	Ship To: MEC Distribution Centre - West 19550 36 Ave Surrey, BCV3Z 1A5 CAN
Ship To Postal Code  (420)V3Z1A5	Carrier: DAY & ROSS TRANSPOR Tracking #: 123456789 Carton Weight:

Number of Cartons: 1 of 5

Contents
PO Number: 0670796
VN#/UPC: 22101-Sudan-8.5M
SKU#: 409687
Qty: 10
Inner Pack:

UPC

 848489002876

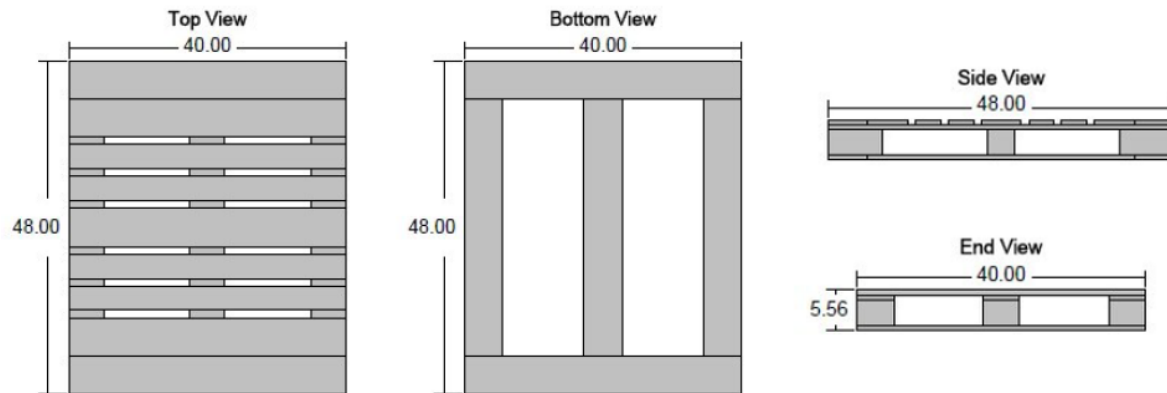

 (00) 0 0009999 000317248 1

g. Putting Cartons onto Pallets

Pallets must be used when any single carton weighs greater than 40lbs (18kg), or the shipment contains greater than 10 cartons. Where the shipment does not exceed this rule, please ship cartons via courier service. Kindly ensure not to use a small parcel courier for these larger shipments. If you fail to follow these guidelines, Non-Compliance Fees will apply.

Pallet Requirements

- Pallets must be supplied by the Vendor and will not be returned or exchanged.
- The standard North American pallet size of 48x40" (122x102cm) is required. The only exception to this is Products larger than 48x40" (122x102cm). In these cases, the Vendor must select a large pallet size which enables the Product to be transported safely and securely throughout transit.
- Pallets must:
 - have stringer boards at the bottom to allow it to fit in MEC's racking.
 - use A-grade wooden pallets in structure and performance or their equivalent.
 - be made of wood. Paperboard or plastic pallets are not acceptable.
 - be clean, dry, and in good condition.
 - meet all ISPM-15 standards. MEC requires pallets to have a stamp directly on the pallet to indicate the International Plant Protection Committee (IPPC) standards for heat treatment or fumigation have been met.
- More pallet information can be found on the [CWPCA](#) website (Canadian Wooden Pallet and Container Association).



Vendors with “Collect” delivery incoterms from international location, palletization is not required, otherwise requested by the carrier.

Building the Pallet

- SKU integrity must be maintained at the pallet level:
 - Same SKU product for the same POs must be grouped and layered together on the same pallets.
 - If you fail to follow the above rule, Non-Compliance Fee will apply.
- Load pallets by PO number:
 - POs must be continuous (i.e., one PO may not be unnecessarily spread over multiple pallets).
 - If residual cartons exist for the same PO and are less than a full pallet, then they may be combined onto a single pallet, provided the POs are grouped and layered together.
 - If you fail to follow the above rules, Non-Compliance Fees will apply.

The only exception to the requirements immediately above is for shipments of multiple POs containing Product of substantially different weights and/or sizes. In these cases, you may load POs in the most logical way possible to prevent damage during transit and to facilitate receiving.

In addition to the above:

- number each pallet and use the packing list to clearly identify which POs are contained on each pallet.
- cartons must be securely loaded onto the pallet.
- secure cartons to pallets using shrink wrap. Shrink wrap must be a clear recyclable poly sheet.
- stacking of pallets is prohibited.
- the maximum pallet height should not exceed 7 feet (2.13m).

A physical printed packing list must be included with the pallet/carton and be placed in a visible location (e.g., the lead pallet, carton #1). If you are shipping multiple POs or multiple pallets, all the paperwork should be placed into one master envelope that is visible and accessible at the time of delivery (e.g., a tail of trailer). This step is in addition to the ASN sent prior to shipping. Failure to comply will result in Non-Compliance Fees as set out in [Appendix H](#).

CHAPTER 3: LOGISTICS

3.1: Shipping Purchase Orders

We expect you to ship complete POs that arrive at MEC designated facility no earlier than the Requested Delivery Date and no later than the Cancel Date. Backorders/partial shipments are not permitted.

Your PO will be subject to Non-Compliance Fees if you ship merchandise that is not in accordance with our agreed PO. Any unauthorized changes including product overages, substitutions or incorrect pack configurations will result in Non-Compliance Fees and/or delayed/withheld payment. If you fail to ship the merchandise in accordance with a confirmed PO, you must notify MEC immediately via EDI. MEC may, but is not obligated to, issue a new or revised PO in response to your notification.

a. Advance Shipping Notice (ASN)

All POs require an Advance Shipping Notice (ASN) sent to MEC via EDI document 856 or Nexus ASN at least 24 hours prior to the shipment leaving your facility.

For products that have lot/batch numbers and expiry dates. This information needs to be included on the ASN.

If the ASN data deviates from the agreed PO, you will be notified that your ASN has been rejected and requires immediate attention prior to shipping. If you ship under a rejected ASN, Non-Compliance Fees will apply. Shipments that do not align with the MEC confirmed Purchase Order will be subject to Non-Compliance Fees as set out in [Appendix H](#) and delayed and/or adjusted payment of invoice. Shipping Documents

Consolidation

All POs shipping to a single location within the same shipment or arriving within the same ETA date are required to be consolidated and sent as a consolidated EDI ASN. From time to time, MEC may work with you to review consolidation options for delivery to MEC designated facilities.

b. Packing List

A physical packing list is required to facilitate receiving. An example is given in [Appendix F](#). It should include the following information:

- MEC ship-to address and PO number.
- A list of any items being shipped, cross referenced with the SKU and/or Vendor Part number, along with a guide of which items are in which cartons.
- It is also preferred to have items cross referenced with the UPC/EAN codes/ MEC barcodes and descriptions.
- Number of pieces (including number of cartons on each pallet (if pallet is used) of shipment). It should also correspond directly with the piece count on Bill of Lading, and invoice.
- Total units shipped per PO.

Bill of Lading (BOL)

A Bill of Lading (BOL) is a document that indicates the carrier that MEC's shipment has been loaded on, its intended destination, and shipment specifications. Be as detailed as possible when generating the BOL and include the following information:

- Special instructions may be included, such as "Fragile" or "Handle with Extra Care."
- MEC Purchase Order number(s)
- Dangerous Goods must be noted with the product's classification code and Product Identification Number (if applicable). Please refer to [Supply Chain Compliance and Security](#) for details on Transportation of Dangerous Goods.

Vendors with “Collect” delivery incoterms transporting shipments via ocean or air, the carrier will provide you with the House Bill of Lading (HBL) or the Air Waybill (AWB).

Vendors with “Collect” delivery incoterms shipping from an international location, please see below for additional shipping document requirements:

- A Wood Packaging Materials declaration is required by the CBSA for shipment that contains wood packaging materials originating from overseas locations. If no wood packaging is used, a written note that no wood packaging was used must be included.
- Free Trade Agreement (e.g., CUSMA, CPTPP)
- CCI (Commercial Custom’s Invoice) - sales invoice used for customs clearance.
- Exporter Statement of Origin

c. Transportation

Routing

Our shipping requirements and any special transportation instructions are listed in the PO. Please pay attention to the following areas:

- **Ship From Address:** Ensure your ship from address matches the Ship From address on the PO. If not, please advise MEC *before* the shipment is picked up.
- **Ship To Address:** Ensure the PO is delivered to the correct location. You will be responsible for any additional transportation costs if delivered to the incorrect facility.
- **Carrier Routing:** If freight is “collect”, please ship via the carrier listed on the PO. If the freight is “prepaid”, this field will show “Vendor’s Choice”, which indicates you can select your preferred carrier. We recommend that our Vendors use carriers that have been approved by CBSA for cross-border traffic.
- **Freight Terms:** Vendors who prepay freight when freight term is “collect” via carriers or forwarders not approved by MEC will be billed back for freight charge difference between MEC’s designated carrier and Vendor’s choice of carrier.

Shipping Information

Full Container

To facilitate container receiving, the following is required when building the container:

- PO and SKU Grouping. Refer to Appendix G:
 - Do not mix SKUs across multiple containers. Whenever possible, keep them in the same container location.
 - Do not mix POs across multiple containers (except when there is overflow from the first container in which case, the POs must be loaded in sequential order).
 - POs and SKUs must be kept together in the same location and not separated within the container.
- Carton Orientation and Strength
 - To prevent crushing, cartons should always be placed in an upright position. Cartons should never be placed on their sides; this is their weakest point.
 - Cartons should always have labels that face the front of the container, right side up, so that products can be clearly identified. Cartons should never be turned upside down, or with blank faces facing forward.
 - Ensure load is secured to prevent shifting during transit.
 - Balance the cartons and ensure they are correctly stacked to prevent crushing.
- Consolidation
 - For our overseas vendors, all MEC Purchase Orders going to a single location, that have ship dates within 7 days of each other should be consolidated and shipped in one (1) Bill of Lading.

Less than Trailer Shipments

Pallets should be built in accordance to above Full Container section.

- Pallets MUST be loaded straight in and cannot be side loaded or chimney blocked.

Transportation of Dangerous Goods (TDG) Guidelines

Any MEC-supplied goods that are considered as hazardous materials or dangerous goods by Transport Canada must comply with all applicable laws including international regulations regarding their handling and transport. The carrier or forwarder must always be informed if dangerous goods are being shipped. Depending on the nature and quantity, the carrier may request that a dangerous goods classification code and/or Product Identification Number (PIN) be indicated on the Bill of Lading, along with emergency response information and Safety Data Sheet (SDS). SDS documents must be provided in both official languages of Canada – English and French. There are no exceptions to this rule. Failure to provide both documents will result in MEC dropping the product from our assortment.

If there are no TDG documents, and MEC's receiver finds the Vendor to be non-compliant with TDG regulations, MEC will **refuse** receipt of the entire shipment, and it will be returned to the Vendor at the Vendor's cost.

To comply, we encourage Vendors to:

- Understand which of their products are considered dangerous goods.
- Ensure those dangerous goods are properly classified, documented, and labelled.
- Provide appropriate shipping documents, including an up-to-date SDS to MEC.

Please direct all TDG-receiving enquiries to logistics@mec.ca. Visit [Transport Canada's website](#) for more information.

d. Delivery Instructions

Delivery of Goods

- ASNs are required for all deliveries.
- For ocean and air shipments:
 - Please contact MEC's nominated freight forwarder 14 days prior to cargo ready date to ensure that the vessel space has been booked.
 - ASNs must be provided to the freight forwarder (via carrier portal or e-mail) 48 hours prior to shipment departure.
- Contact logistics@mec.ca for any questions regarding document uploads.

Receiving Discrepancies

- If there is an over-shipment/under-shipment of goods (when compared to the packing slip), or a quality issue with the shipment delivery, MEC will notify the Vendor a within 5 Business Days of the receipt of goods at the ship to location.
- Our Accounts Payable Department will require a new invoice to match approved product receipt. Refer to [Invoice Discrepancies](#) in Section 5.1.4.
- If you intend to dispute the discrepancy, you must let MEC know within 5 Business Days of receipt of notification from MEC.

3.2: Warranty and Returns

If we identify a Product defect or a high rate of non-conformities (in design, materials, or manufacture), that Product will be rejected. In such cases, the Vendor will be contacted immediately and MEC will discuss with the Vendor before MEC decides on a course of action (e.g., return, repair, discount).

Vendors will be responsible for all associated costs incurred by MEC for Products rejected by MEC. Payment of these costs by the Vendor to MEC will be determined on a case-by-case basis and may be immediate, within 30 days of acknowledgement, or upon receipt by the Vendor.

We will share defective returns information with Vendors during annual Vendor reviews, as deemed necessary, and/or upon Vendor request.

CHAPTER 4: FINANCE

4.1: Invoicing and Payment

a. Invoice Requirements

Invoices must be sent from Vendors to MEC via EDI document 810. MEC must receive one invoice for each shipment for a Purchase Order. Some examples below:

	Order Qty	Shipment 1	Shipment 2	Shipment 3	Invoice(s) to MEC
PO AAA	100	80	20	0	Should be two invoices: shipment 1 (80 units) and shipment 2 (20 units) respectively
PO BBB	100	0	100	0	Should be only one invoice for shipment 2 (100 units)
PO CCC	100	30	50	10	Should be three invoices: shipment 1 (30 units), shipment 2 (50 units) and shipment 3 (10 units)

The following information is required on invoices:

- Vendor name and address
 - Vendor name and address on the invoice must be same as the one listed in the applicable Purchase Order. Please reach out to trade.vendors@mec.ca for any revisions.
- Payee name and remittance address (if different, from Vendor name and address above).
- Unique Vendor invoice number, Vendor GST/HST registration number, payment terms, ship date, and invoice date based on INCO term (DDP terms should state the Requested Delivery Date)
- MEC PO number
- Bill of Lading Number or Carrier Pro Number for each shipment under the Purchase Order
- List of the Products shipped, shown in the same line order as the applicable PO.
 - List of part numbers and unit of measure; these must also be identical to the applicable PO.
- Prices, extensions, discounts, allowances, special terms and currency should all be the same as those of the PO acknowledgment 855.
- The “Made in Country” information for **each** Product (only applicable if MEC is the importer of record).

Payment of Invoice

- Credit applications are not part of our standard procedures. If you require a supplementary information sheet, please contact: Accounts.Payable@mec.ca.
- All payments will be based on PO terms and the General Terms and Conditions of Supply.
- MEC ordinarily pays Canadian and US Vendors by cheques or EFT/wire, and offshore Vendors by wire transfer.

b. Wire Payment Against Shipping Documents

If you are on wire payment terms and NOT using GT Nexus, please provide a complete set of shipping documents to Logistics@mec.ca as soon as they are ready. Our goal is to complete payment within 10 Business Days of receiving the required documents listed below. Any missing, incorrect, or delayed documents will result in delay of wire payment.

Note: your shipping documents are the same as those required for customs clearance.

Required Documents

- Invoice
- Bill of Lading (must be final HBL, drafts are not accepted)
- Packing List
- Wood Declaration (or a written note that no wood packaging was used)
- CCI (Commercial Custom's Invoice)
- Exporter Statement of Origin

c. Letters of Credit

To receive a letter of credit (L/C), please send a proforma invoice (or sales confirmation) to our Production Specialist at least 30 days prior to the ship date. One proforma invoice per shipment is required. MEC will have the L/C opened within 14 days of the ship date.

The proforma invoice must provide the following information:

- Beneficiary name, address, phone, and fax number
- Advising bank information, including account and swift number
- Shipping details (e.g., FOB/FCA date and port/airport, ship method)
- Purchase Order number(s)
- Quantity, price, currency, and description of goods
- Any special terms required.

d. Invoice Discrepancies

MEC will not accept any discrepancies between the cost of the goods and the terms and conditions on the PO Acknowledgement 855. Where there are discrepancies between the cost of the goods and the PO Acknowledgement 855, MEC will require the Vendor to issue a revised invoice to reflect the agreement on the PO. For pre-payment and/or Wire Against Shipping Document (WASD) payment, MEC requires a debit note or credit note to correct the difference against the original invoice. The payment term and cash discount term will be based on the receipt of revised invoice or debit/credit note.

If there is a discrepancy between the received quantity and the ASN quantity, MEC or its agent(s) will complete a report outlining the discrepancy, a copy of which will be sent to you.

The following is a summary of how discrepancies will be handled:

Discrepancy Type	Action
------------------	--------

Price, Terms, Conditions	MEC will require a revised invoice or debit/credit note to match the agreed terms and condition on the PO Acknowledgment 855.
Over Shipment	Goods will be received and MEC will pay only for the original ordered quantity on the confirmed PO.
Short Shipment	If the payment is made after the goods' receipt (e.g., Net 90): <ul style="list-style-type: none"> • MEC will request that the Vendor issue a revised invoice. • The payment term and cash discount term will be based on the date MEC receives the revised invoice.
	If Vendor is paid before MEC receives the goods: <ul style="list-style-type: none"> • MEC will request that the Vendor issue a credit note and offset against the following payment.

e. **MEC Invoice Adjustments**

MEC will automatically deduct/add Non-Compliance Fees and adjustments to the next or current Vendor invoice. These include but are not limited to:

- Shipment discrepancies related to under shipments, over shipments or shipments of wrong product.
- Price adjustments due to incorrect information submitted on invoice.
- Return to Vendor (RTV) inventory credits.
 - Upon approved return authorization with Vendor, MEC will deduct credits based on MEC's count of inventory.
- Vendor subsidy/credits related to merchandising, in-store, staffing, marketing, advertising, or e-commerce partnerships.
 - Upon receipt of signed confirmation of credit, deductions will occur on next available invoice.
- Shipment Non-Compliance Fees
 - Any shipment Non-Compliance Fees outlined in [Appendix H](#) will be automatically deducted from invoice.
- Any freight charges related to returning mis-shipments or over shipments of Products that is being returned to your facility.

f. **Vendor Information Changes**

If any of the following items change, promptly send details of the change(s) to Trade.Vendors@mec.ca:

- GST/HST registration number.
- Head office of Vendor's name and address.
- Return to Vendor's name and address.
- Ship from the Vendor's name and address (revision and/or addition).
- Payment Remit-to name and address.
- Banking information (requires a void cheque or bank letter to verify the information).

CHAPTER 5: PERFORMANCE

5.1: Vendor Performance

a. Performance

Measure	Expectation
PO Acknowledgement Rate	We require that all POs be acknowledged within the stated 48 hours Business Day window.
On Time Rate	% of POs Vendor fulfills on time.
Fill Rate	Once a PO has been acknowledged, Vendors are expected to fulfill the confirmed complete PO.
Quality Rating	Vendors are expected to deliver Products that meet MEC's quality standards.
Defective Returns Rate	Vendors are expected to take full responsibility for defective Products returned to MEC.
PO Discrepancies	Once a PO has been acknowledged, Vendors are expected to ship the confirmed ordered quantity.
Invoice Discrepancies	Vendors are required to provide specific information on the invoices in order to process payment.

Non-Compliance Fees Calculation

Non-Compliance Fees are calculated starting on the first day following the original PO Ship date and rounded up to the next full week. Non-Compliance Fees are increased weekly by the number of weeks as follows:

Number of Weeks Late:	Non-Compliance Fee for orders \$15,000 and over	Non-Compliance Fee for orders below \$15,000
1 st week	2% of Ship Value	\$500 Non-Compliance Fee
2 nd week	Additional 5% of Ship Value	Additional 2% of Ship Value
3 rd week onwards	Additional 7% of Ship Value per week delay	Additional 5% of Ship Value per week delay

Additional Non-Compliance Fees

At any time following a missed PO Ship date, MEC may, in its sole discretion, apply the following additional Non-Compliance Fees:

- Full sea freight charged to Vendor.
- Change in ship mode to Air Freight with difference between Air/Sea freight charged to Vendor.
- Change in ship mode to Air Freight with full Air freight charged to Vendor.

Please note:

- Non-Compliance Fees may be applied in combination, depending on circumstances like the severity of delay.
- Partial deliveries and/or change in shipping mode are not permitted unless agreed upon in writing by MEC.
- MEC's nominated freight forwarder should always be used.

Settlement of Non-Compliance Fees

Any Non-Compliance Fees will be adjusted as a discount directly on the PO payment. MEC may accept settlement of Non-Compliance Fees via credit note on an exceptional basis.

Mis-Ship Non-Compliance Fees

Any shipments delivered to an MEC designated facility other than that listed on the Purchase Order will incur a Non-Compliance Fees for the freight cost associated with the redirect. The Non-Compliance Fees will be the form of a notice of adjustment on future invoices.

The Vendor will be notified by email with the details of the error and the cost associated with the redirect. The charges applied will be a fixed rate, reflecting the shipment size.

b. Resolution of Discrepancies

The best way to avoid Non-Compliance Fees is to inform MEC of any PO changes. If MEC agrees to the changes, MEC will reissue a revised PO with new terms and Non-Compliance Fees may be avoided. Vendors have up to 5 Business Days to dispute Non-Compliance Fees or discrepancies and provide required documentation to EDI@mec.ca.

CHAPTER 6: APPENDICES

Appendix A – Certification of Liability Insurance

A vendor's insurance category reflects the risks associated of the Products to MEC. Product failure categories (below) are updated by MEC from time-to-time based on an assessment of potential risks to users. Unless MEC otherwise agrees in writing, vendors are required to hold the level of general liability insurance outlined in the General Terms and Conditions of Supply based on their Product failure category. If a vendor is selling in multiple categories, the vendor must meet the limits of the highest category.

Product Failure Category 1 (\$2M)

- Any product not described under Product Failure Category 2 or 3.

Product Failure Category 2 (\$5M)

- Any item powered by or connected to a household or RV electrical system or battery.
- Any item designed to contain a fire or be consumed by fire, excluding fire fueled by a liquid, gas, or gel.
- Any food or drink that requires heating to a specific temperature by the consumer to be considered safe for human consumption.
- Any food or drink designed for consumption by babies, infants, or toddlers.
- Any item designed for the filtering or purification of liquids to be safe to drink.
- Any item intended to be applied directly to human hair or skin, excluding clothing or footwear.
- Any item intended to keep a human body afloat in water.
- Any item, system, or part thereof designed to be ridden outdoors and propelled by the rider.
- Any item, system, or part thereof designed to hold a human body at a height less than 6 feet.
- Any item intended to prevent injury to the face, head, neck, or spine or body.
- Any item designed for snow travel, safety, or rescue, excluding avalanche transceivers.
- Any item designed to deter animals or for use in emergency or first aid situations.
- Any item designed and rated for UV protection.
- Any item designed for use as a car rack.
- Any item designed with a blade.

Product Failure Category 3 (\$10M)

- Any item designed to heat a space or contain a fire or be consumed by fire fueled by a liquid, gas, or gel and any container designed to hold such fuels.
- Any item intended for babies, infants, or young children, including but not limited to clothing, footwear, or personal care.
- Any substance that exhibits one or more of the following: ignitability, corrosivity, reactivity, or toxicity.
- Any liquid, powder, gel, or gas that presents a significant risk of injury or death if ingested, inhaled, or applied to human skin in small quantities and any item containing such substance.
- Any item designed to be ridden on a public roadway, including e-bikes, excluding items propelled by the rider.
- Any item designed to be ridden and powered by a combustible fuel.
- Any item, system, or part thereof designed to hold a human body at a height greater or equal to 6 feet.
- Any item designed for navigational or wireless communication, including avalanche transceivers.

Appendix B – Sustainability Attributes and Expectations

Issue	Expectation	Product Category
Bisphenol A	All products intended to come in direct contact with food or liquids for human consumption are free of BPA.	Cookware, dinnerware, utensils, water bottles, food containers
Per-and polyfluoroalkyl substances (PFAS)	All apparel products supplied to MEC are free of long-chain PFAS. All waxes and cookware supplied to MEC are free of PFAS.	Apparel, ski waxes, cookware
Oxybenzone	All sunscreens supplied to MEC are free of oxybenzone.	Sunscreens
Flame retardants	All camping shelters supplied to MEC are free of prohibited flame retardants.	Tents, hammocks, bivouac sacks, hammocks
Fur	All products supplied to MEC are free of animal fur (excluding hair-on-hide, fleece, shearling or synthetic materials intended to look like fur).	All
Exotic leather	All products supplied to MEC are free of exotic leather. Allowable species include domesticated cow, goat, sheep, buffalo, and pig.	All
Down	All products containing down supplied to MEC conform with standards that ensure that geese and ducks are treated humanely and never live-plucked or force-fed.	Products containing down
Wool	All products containing wool supplied to MEC conform with standards that ensure that sheep are treated humanely and are not mulesed.	Products containing wool
Cotton	All products containing cotton to MEC conform to one of the following standards: CmiA, certified organic, certified transitional, BCI cotton.	Products containing cotton
Man-made cellulosic	All products containing man-made cellulosic supplied to MEC are free of generic viscose or modal and only contain preferred lyocell.	Products containing man-made cellulosic
Polyvinylchloride (PVC)	All dry bags and panniers supplied to MEC are free of PVC.	Dry bags, panniers
Higg Index Brand and Retailer Module (BRM)	Each Vendor will complete the Higg Index BRM annually and share their results with MEC.	Apparel, footwear, tents, packs

Appendix C – Environmental Certifications and Claims

Sustainability Claims

Laws are coming into effect to make unsupported sustainability claims a high risk. Sustainability claims about products you sell to MEC, or about your company in general, are expected to adhere to:

- **Specific** - Claims must clearly define the environmental attribute (e.g., "made with 50% recycled content", or "certified to a specific standard"). Vague terms like "eco-friendly", "green", and "sustainable" are unacceptable. If your product has achieved any safety certifications or ratings (e.g., ASTM, EN, CE, CPSC, UPF, IPX ratings) or sustainability certifications (OCS, GOTS, RCS, GRS, RDS, TDS, RWS, FSC, RA, Fair Trade, Bluesign®), please provide MEC with this information and any supporting documentation.
- **Substantiated** - All claims must be substantiated by adequate and proper testing. This includes maintaining test results, certifications, life cycle assessments, or other relevant documentation. You must be able to provide, upon request, proof of the validity of their certification and other sustainability claims. You must also ensure any environmental marketing claims abide by the guidance outlined in the Government of Canada's Competition Bureau's "Environmental Claims" guide.
- **Transparent** - The claim must clearly state what aspect of the product or its lifecycle the claim relates to.
- **Accurate** - Claims must not be misleading or deceptive in any way. The claim must avoid exaggerating environmental benefits or creating a false impression of overall sustainability.

Other Environmental Claims

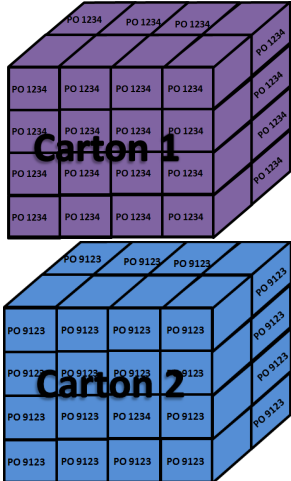

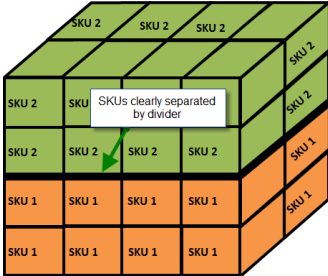
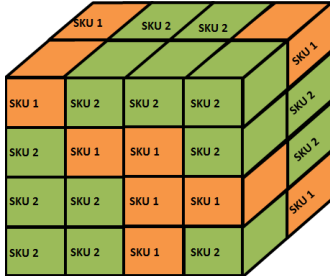
If your Product meets any or more of the following criteria, please include this information as part of the material or fabric composition:

Attribute	Benefit	Selection Options	Criteria
Bluesign®	Prevents chemicals of concern from entering the manufacturing stream and ensures best practices for chemicals management.	Bluesign® approved material Bluesign® product	Majority (50+%) of total materials used in product must be certified Bluesign® approved, exclusive of trims. Products carrying Bluesign® product trademarks must comply with Bluesign® criteria.
Organic	Grown without the use of chemical insecticides, pesticides, chemical soluble fertilizers, or genetically modified organisms.	Organically grown content Certified organic	Organic content is at least 5% of a major component. Product is USDA or Canada Organic Standard certified.
Recycled	Lessens the need to extract new raw materials and typically has a lower environmental footprint compared to virgin content.	Recycled content	Recycled content is at least 5% of a major component.
Preferred Lyocell	Cellulosic fibres from sustainably managed forests and made in a closed-loop process.	Preferred Lyocell	Tencel® Lyocell is at least 5% of a major component.
Fair Trade	Promotes safe and healthy working conditions; supports better trading conditions and wages for producers and workers; and helps empower communities.	Certified Fair Trade	Product is certified to the Fair-Trade USA standard (Fair Trade Certified™, Fair Trade Certified™ sewing, Fair Trade Certified™ factory Fair Trade Certified™ cotton, or Fair Trade Certified™ ingredients) or to the Fairtrade International standard (made with Fairtrade ingredients or materials).

Responsible Down	Down and feathers certified to have come from ducks and geese that were treated humanely, upholding their Five Freedoms. Prohibits force-feeding and live plucking.	Certified Responsible Down	100% of down content is certified to the Responsible Down Standard (RDS), Traceable Down Standard (TDS) or Downpass.
Responsible Wool	Wool certified to have come from sheep that were treated humanely, upholding their Five Freedoms. Also ensures best practices in land management.	Certified Responsible Wool	100% of wool content is certified to the Responsible Wool Standard (RWS) AND wool is at least 5% of a major component.
Leather Working Group Leather	Promotes responsible environmental stewardship practices in tanneries and prohibits the use of hides sourced from farms involved in any form of deforestation in the Amazon biome.	Leather Working Group Leather	100% of leather content is from Leather Working Group (LWG) Vendors (main materials only, exclusive of trims).
Vegan-friendly	Made without the use of animal products and follows the principles of veganism. To ensure the integrity of this claim, we are only highlighting products that have been publicly communicated as vegan and/or have been able to show a credible third-party vegan certification.	Vegan-friendly	Product has on-product vegan claim and/or has credible third-party vegan certification.
Certified Land Stewardship	Materials meet best practices for land management and the protection of vulnerable ecosystems, as certified through Forest Stewardship Council and/or Rainforest Alliance.	FSC certified RA certified	Product contains Forest Stewardship Council (FSC) certified materials. Product is Rainforest Alliance (RA) certified.
PVC-free	MEC restricts the use of PVC due to human and environmental health risks in manufacturing and use.	PVC-free	Only to be called out in product categories where PVC would typically be used (e.g., SUPs, PFDs, dry bags, panniers) or screen prints. Refer to US Federal Trade Commission Green Guide .
Rechargeable	Rechargeable batteries reduce the number of batteries that need to be manufactured and generate less waste and heavy metal pollution.	Rechargeable	Contains electrical batteries which can be charged, discharged into a load, and recharged many times.

Note: Major component is a product component that is identified at a product level (ex. main fabric, lining, insulation, outsole, tent fly, etc.). Detailing, including apparel trims, hangtags, or packaging is not considered a major component in this context

Appendix D – Carton Mixing Examples

Acceptable		Unacceptable	
One PO per Carton	 <p>Carton 1</p> <p>Carton 2</p>	PO Mixed in Carton	 <p>Carton 1</p> <p>Carton 2</p>
	 <p>SKUs clearly separated by divider</p>	SKU Mixed in Carton No separation	

Appendix E – Folding Methods

Loose Pack Long Pants

STEP 1: Attach the hangtag by swiftack at wearer's left side seam below waistband seam.



STEP 2: Front side



STEP 3: Back side



STEP 4: Fold the pant back to back with wearer's right on top.



STEP 5: Fold pant legs up to the halfway point.



STEP 6: Fold pant legs again up to the waistband.



STEP 7: Turn the pant with wearer's left on top. Ensure the hangtag and UPC sticker is visible.



Loose Pack Shorts

STEP 1: Attach the hangtag by swiftack at wearer's left side seam below waistband seam.



STEP 2: Front side



STEP 3: Back side



STEP 4: Fold the pant back to back with wearer's right on top.



STEP 5: Fold the pant hem up at the crotch.



STEP 6: Turn the pant with wearer's left on top. Ensure the hangtag and UPC sticker is visible.



Loose Pack Shirts

STEP 1: Attach the hangtag by lockpin at the 1st button hole.



STEP 2: Lay the shirt on a flat surface.



STEP 3: Turn the shirt over. Fold the left body in an arms width. Then fold the left sleeve on top.



STEP 4: Fold the right body in an arms width. Then fold the right sleeve on top.



STEP 5: Fold the cuff sleeve up and the hem to match.



STEP 6: Fold the bottom hem up again to the shoulder and collar. Ensure the hangtag and UPC sticker is visible.



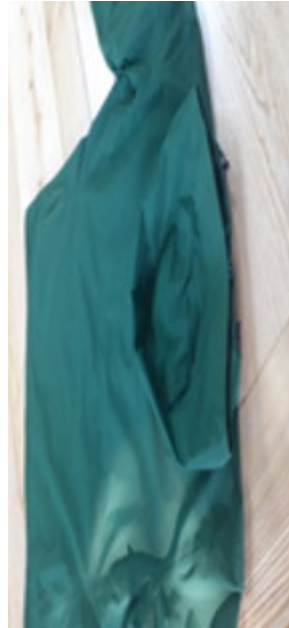
Flat Pack Jackets

STEP 1: Attach the hangtag. Refer to the BOM for the placement.

STEP 2: Lay the jacket face down on a flat surface.



STEP 3: Fold the hood in half so it lays straight with the shoulders.



STEP 4: Fold the right body in an arms width. Then fold the right sleeve on top.



STEP 5: Fold the left body in an arms width. Then fold the left sleeve on top.



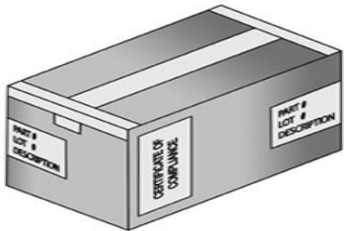



STEP 6: Place into a polybag to fit the jacket length. Ensure the hangtag and UPC sticker is visible.



Examples of Acceptable and Unacceptable Carton Quality and Packing

Acceptable		Unacceptable	
High-quality carton (shape and integrity has been maintained throughout transport)		Low-quality Carton	
Carton is filled correctly to protect the contents in transit		Excessive Void Space	
Correct carton size has been chosen		Filler Used	

Examples of Acceptable and Unacceptable Carton Sealing

Acceptable		Unacceptable	
Air shipment: H-Type seal		Unnecessary straps, staples, ties	
Ocean shipment		Poor seal, packing tape quality	

Appendix F – Packing List Example

Packing List

VENDOR NAME

Vendors address and contact details

Date: (enter date)
 Attention: (Enter MEC contact & MEC DC Address)
 Ship Via: (enter carrier name e.g. Clarke)
 Ship Date: (enter date)
 PO: (enter MEC PO number e.g. 285123)
 Total Cartons: (enter total count e.g. 32)

Packing list header

Don't forget to include carrier name and shipment date

Summary

Colour/Size	XS	S	M	L	XL	Total
Blue	36	104	87	72	36	335
Orange	0	69	378	239	56	742
Total	36	173	465	311	92	1,077

Qty per SKU summary

Important for PO and invoice matching

Shipment Breakdown

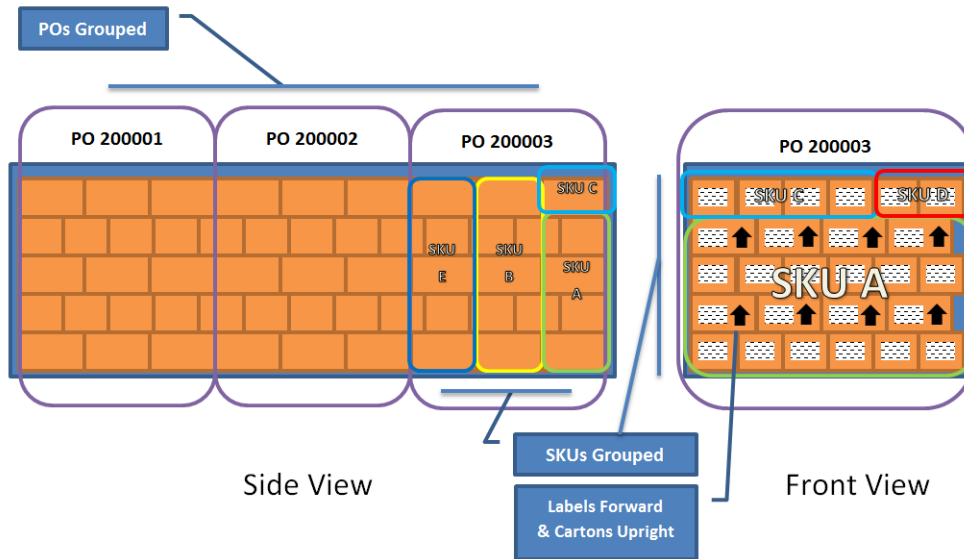
Box #	VPN/SKU	Colour	XS	S	M	L	XL	Total
1	333013	Blue		36				36
2	333013	Blue		68				68
3	333012	Blue	36					36
4	333014	Blue			36			36
5	333014	Blue			36			36
6	333014	Blue			15			15
7	333015	Blue				36		36
8	333015	Blue				36		36
9	333016	Blue					36	36
11	333017	Orange		36				36
12	333017	Orange		33				33
13	333018	Orange			36			36
14	333018	Orange			36			36
15	333018	Orange			36			36
16	333018	Orange			36			36
17	333018	Orange			36			36
18	333018	Orange			36			36
19	333018	Orange			36			36
20	333018	Orange			36			36
21	333018	Orange			36			36
22	333018	Orange			36			36
23	333018	Orange			18			18
24	333019	Orange				36		36
25	333019	Orange				36		36
26	333019	Orange				36		36
27	333019	Orange				36		36
28	333019	Orange				36		36
29	333019	Orange				36		36
30	333019	Orange				23		23
31	333010	Orange					36	36
32	333010	Orange					20	20

Carton and qty details

Important for shipping and receiving

Appendix G – Container Load Examples

Correctly Loaded Container



Correctly loaded container



Incorrectly loaded container



Appendix H – Vendor Non-Compliance Fees Schedule

ISSUE	DESCRIPTION	CONSEQUENCES INCLUDING NON-COMPLIANCE FEES (CAD)
DELIVERY		
PO delivered without appointment (LTL/FTL)	All shipments arriving at MEC designated facilities are expected to match their respective ASN and PO. Any over ships, under ships, wrong products, and shipping to incorrect facility will result in a discrepancy report being issued to the Vendor. Relevant products can be requested to be returned within 5 days of receiving the discrepancy notification. Returns must be resolved within 30 days of receiving the discrepancy notification.	\$250/occurrence if Product is received and not rejected.
Over-shipment		\$250/occurrence. Invoices for over-shipments will not be accepted. If you require MEC to return the Product, \$250 handling fee + freight charges apply.
Wrong product		\$250/occurrence. Invoices for wrong Product will not be accepted. If you require MEC to return the Product, \$250 handling fee + freight charges apply.
Under-shipments		\$250/occurrence
Mis-shipments		\$250/occurrence + all freight related charges to redirect to correct location (only if Product was redirected).
Late shipments	Deliveries received by MEC past PO “cancel date”.	10% of PO value
Early shipments	Deliveries received by MEC prior to PO “Do not deliver before”, “Do not ship before” Requested Ship Date, or Requested Delivery Date.	\$250/occurrence
Carrier/courier issue	Any carrier related issue that needs to be addressed e.g., driver behaviour, missing identification, missed appointment without notice.	\$250/occurrence
Incorrect carrier	Using courier service when carrier should have been used.	\$250/occurrence
Tampering/Broken Seal (FCL/FTL)	Shipping container or truck seal has been broken or tampered with.	Rejection of Shipment
ASN issue	EDI vendors are expected to transmit a successful EDI (856) or Nexus ASN. Vendors in transition to EDI are expected to email an ASN.	\$250/occurrence
Packing list issues	MEC Vendor Manual outlines the requirements for packing lists. Failure to comply will result in Non-Compliance Fees.	\$250/occurrence
BOL issues	MEC Vendor Manual outlines the requirements for BOLs. Failure to comply will result in Non-Compliance Fees.	\$250/occurrence

SHIPMENT CONDITION		
No/Incorrect label (VPN, PO, UPC, mixed carton not labelled)	Shipment to MEC designated facility must have the minimum labeling to avoid delay in receiving.	\$10/carton
Damaged shipment (partial damage - received product)	Product damaged due to shipment carton damage.	\$250/occurrence. Deduction of value of Product from invoice. If you require MEC to return the Product, \$250 handling fee + freight charges apply.
PO/SKU mixed across multiple pallets/containers	Non-compliance with MEC shipping requirements.	\$250/occurrence + \$100/hr with minimum 2 hours work (if rework is required).
Incorrect dangerous goods identification/marketing/labeling	Hazardous materials must be identified when product data is requested and received with proper hazmat carton labelling or marking requirements.	\$250/occurrence
Damage from unloading	Pallet toppled over as example.	N/A
Extra handling required (see <u>Safety Guidelines for Delivery</u>)	Failure to comply with this Vendor Manual may result in additional handling at the MEC designated facility.	\$250/occurrence + \$100/hr with minimum 2 hours work (if rework is required).
PRODUCT		
Mixed SKUs same carton not separated	The receiving process at MEC designated facilities relies on compliance with this Vendor Manual. Failure to comply may result in Non-Compliance Fees.	\$250/occurrence + \$100/hr with minimum 2 hours work (if rework is required)
Not sent in multiples of case pack		\$250/occurrence
Concealed damage on product		\$250/occurrence. Damaged quantity to be removed from invoice payment.
SUSTAINABILITY		
Unsustainable practice	The Vendor Manual has guidelines to ensure Vendors support our environmental initiatives.	\$250/occurrence after 3 warnings.
REWORK		
Price ticketing, tagging and rework	All Products must be tagged with the required information. Failure to comply will result in Non-Compliance Fees.	\$250/occurrence + \$100/hr with minimum 2 hours work (if rework is required).
INVOICE		
Invoice issue (e.g., incorrect payment term, price, discount, quantity, incorrect or missing currency, no or late invoice)	All invoices must be submitted with the required invoice elements listed in this Vendor Manual. Failure to provide accurate information or other actions that may delay payment.	N/A
CUSTOMS		
Incorrect commercial invoice and customs document (e.g., wrong data under COO, qty, style, or price)	If MEC is the importer on record for your Product, you must provide the required documents with accurate information.	\$50/document set

Mis-shipment Freight Charge Schedule

POs shipped to the incorrect MEC designated facility will be assessed a \$250 Non-Compliance Fees as per the Vendor Non-Compliance Fees Schedule and all related freight charges. If the mis-ship is more than 10 individual loose cartons, the shipment will be palletized and billed at the per pallet pricing listed below.

# of Cartons	From Facility to Facility
1	\$ 40.00 CAD
2	\$ 40.00 CAD
3	\$ 40.00 CAD
4	\$ 60.00 CAD
5	\$ 60.00 CAD
6	\$ 60.00 CAD
7	\$ 80.00 CAD
8	\$ 80.00 CAD
9	\$ 80.00 CAD
10	\$ 80.00 CAD

# of Pallets	Cross-country (Ship-from and Ship-to are not within the same region)	Local (Ship-from and Ship-to are within the same region)
1	\$ 550.00 CAD	\$ 90.00 CAD
2	\$ 850.00 CAD	\$ 90.00 CAD
3	\$ 1,050.00 CAD	\$ 90.00 CAD
4	\$ 1,300.00 CAD	\$ 120.00 CAD
5	\$ 1,550.00 CAD	\$ 120.00 CAD
6	\$ 2,050.00 CAD	\$ 120.00 CAD
7	\$ 2,150.00 CAD	\$ 150.00 CAD
8	\$ 2,500.00 CAD	\$ 150.00 CAD
9	\$ 2,800.00 CAD	\$ 150.00 CAD
10	\$ 3,250.00 CAD	\$ 200.00 CAD
>10	\$ 3,500.00 CAD	\$ 200.00 CAD

Western Region includes MEC designated facilities located in the province of BC, AB, SK, MB. Eastern Region includes MEC designated facilities located in the province of ON, QC, and all Maritime provinces.

Appendix I – Supplier Team Evaluation Program (STEP)

All Vendors that supply MEC-brand Products are required to participate in MEC's Supplier Team Evaluation Program (STEP). STEP ensures that MEC Products are sourced, developed, and manufactured in compliance with the MEC Vendor Code of Conduct. MEC brand Vendors agree to work in compliance with the terms set forth in MEC's Social Compliance Policy found immediately below.

MEC Social Compliance Policy

Suppliers providing MEC-branded merchandise must agree to work with MEC in accordance with the following:

Policy 1 – Mandatory Participation

Full disclosure of factories and subcontractors (if any) that will be used for MEC production is required. Participation and cooperation in audits are required.

Policy 2 – Improving Factory Conditions

Factories shall show incremental improvements over a reasonable timeframe.

Policy 3 – Egregious Infractions

The following factory conditions and practices must be corrected immediately, under the supervision of MEC. If infractions continue after initial notification by MEC, then the Vendor will be responsible for subsequent verification audit fees. Examples of infractions include:

- Threatening the physical and mental well-being of workers,
- Endangering the community surrounding the factory,
- Employing child labour or forced labour,
- Operating in such a manner that the health of workers and or the immediate community are immediately threatened.

Policy 4 – Incomplete Audits

Factories that deny entry to auditors; tamper, bribe or obstruct audits; or cancel a booked audit without 48 hours' notice will be charged up to US\$2,500 to cover audit fees, travel, and administration.

Policy 5 – Non-Compliance

A factory breaching any of the above policies will be declared "non-compliant". MEC reserves the right to suspend or terminate their business with non-compliant factories.

Policy 6 – Disclosure of Factory Location and Audit Results

MEC, may at its sole discretion, disclose factory locations and audit results.

Policy 7 – Factory Rights

Factories have the right to:

- Be treated with respect by MEC employees and representatives, including auditors,
- Seek additional clarity to the audit findings and dispute any finding based on factual information,
- Negotiate a timeline for making factory improvements based on a reasonable consideration of constraints, such as complex manufacturing processes and costs or production timelines.

For more information about MEC's Social Compliance program, and to answer any questions you may have regarding this program, please contact your MEC Production Specialist.

MEC Vendor Code of Conduct

MEC is committed to understanding and continuously improving social and environmental conditions in our supply chain. MEC believes that Vendors who work to continuously improve social and environmental standards will also have in place the essential foundation to consistently produce first-quality goods.

As a condition of doing business with MEC, MEC requires our Vendors to uphold the following Vendor Code of Conduct, which sets out our minimum standards for Vendors in relation to workers' rights and environmental responsibility. MEC monitors compliance with our Vendor Code of Conduct, and we require full and open access to the facilities where our products are made. MEC is committed to ensuring that the workers who make our products are fairly treated in safe and healthy workplaces.

Complying with the Law – Vendors shall comply with all legal and regulatory requirements in the country where they do business. This requirement includes the safeguarding of workers' rights under national and international labour and social security laws and regulations.

Voluntary Employment – Vendors shall not use forced labour, whether in the form of prison labour, indentured labour, bonded labour, or other forms of forced labour.

Child Labour – Vendors shall not employ persons who are under the age of 16 or under the age for completion of compulsory education, whichever is higher.

Non-Discrimination – No person shall be subject to any discrimination by Vendors in employment, including hiring, compensation, advancement, discipline, termination, or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group, or ethnic origin.

Harassment or Abuse – Every employee shall be treated with respect and dignity by Vendors. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse.

Hours of Work – Vendors shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Vendors shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Vendors shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Aside from exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

Compensation – Every worker has a right to compensation for a regular work week that is sufficient to meet the worker's basic needs and provide some discretionary income. Vendors shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, each Vendor shall take appropriate actions that seek to progressively realize a level of compensation that does.

Freedom of Association and Collective Bargaining – Vendors shall recognize and respect the right of employees to freedom of association and collective bargaining. Where the right to freedom of association is restricted under law, employers must provide workers with alternative means of association, including effective means to express and remedy workplace grievances. Vendors shall also recognize that employees have the freedom not to associate and shall respect employees' freely expressed choice to refrain from associational activity.

Health and Safety – Vendors shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Vendor facilities. The same standards shall apply to residential facilities, where they are offered.

Environment – Vendors shall comply with environmental laws and adopt credible, proactive measures to mitigate negative impacts on the environment. MEC requires Vendors to be transparent about environmental impacts and steps taken to mitigate those impacts and commits to working with our Vendors to identify priorities for action and opportunities for improvement.

Community – MEC encourages Vendors to engage directly or through partnerships in projects that improve the social well-being of employees and their families in the local community.

Diversity, Equity, and Inclusion – MEC's purpose is to inspire and support *everyone* to lead active outdoor lives. Diversity, equity, and inclusion are important to MEC and Vendors shall adopt and embrace the following industry best practices: (i) diverse representation in marketing materials; (ii) anti-cultural appropriation practices; (iii) inclusive events and programming; and (iv) diversity, equity, and inclusion programming.

Quality – Quality assurance begins at product design and continues through to the development, production, and final delivery of products to MEC. Vendors shall have procedures and management systems in place that support the consistent delivery of quality products on every MEC order.

Transparency in the Supply Chain – Vendors shall be transparent about their supply chains; all subcontracting must receive approval from MEC. A clear system that provides traceability of materials and production leads to better quality and allows MEC to assess the social and environmental impacts of our products.

As adapted from the Fair Labour Association Code of Conduct and International Labour Organization Standards.

Vendor Privacy and Security Protection Code

Definitions

1. In this Vendor Privacy and Security Protection Code (the “Privacy Code”):
 - a. “Data Protection Laws” include without limitation, and as the context requires, the *Personal Information Protection Act*, SBC 2003, c. 63, the *Personal Information Protection Act*, SA 2003, c. P-6.5, the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, and the *Act respecting the protection of personal information in the private sector*, CQLR, c. P-39.1;
 - b. “Agreement” means the General Terms and Conditions of Supply between the Vendor and MEC, including any Schedules, Purchase Order(s), the Vendor Manual, and any other documents incorporated by reference into the General Terms and Conditions of Supply;
 - c. “Personal Information” means MEC Information that is about an identifiable individual or that would, if linked to other available information, allow an individual to be identified;
 - d. “MEC Information” means all information owned or controlled by MEC including MEC’s Confidential Information;
 - e. “Vendor Personnel” means the employees, agents, and subcontractors of Vendor; and
 - f. “Systems” means the information technology systems of MEC or the Vendor as the case may be.

Purpose

2. The purpose of this Privacy Code is to:
 - a. Enable MEC to comply with its statutory obligations under the Data Protection Laws and with its own policies with respect to the management of personal information; and
 - b. Ensure that the Vendor is aware of and complies with its statutory obligations under the applicable Data Protection Laws as a service provider and/or processor and with the applicable Personal Information and security-related policies of MEC.

Compliance

3. The Vendor acknowledges and agrees that:
 - a. it is subject to the applicable Data Protection Laws and is familiar with the requirements governing Personal Information that are applicable to it as a service provider;
 - b. it is required to and will ensure that Personal Information is protected in accordance with the applicable Data Protection Laws, the Agreement, and this Privacy Code;
 - c. it will comply with the information privacy and security requirements contained herein (including any directions given by MEC under this Privacy Code), with Vendor’s information and security policies, and with any additional, new or updated information privacy and security requirements as may be provided to the Vendor from time to time on 30 days’ notice, at all times during the effective period of the Agreement and thereafter until such time as it no longer has possession of the Personal Information;
 - d. it will ensure that all Vendor Personnel are given privacy and security training sufficient to meet the Vendor’s obligations in this Privacy Code, and are contractually bound to abide by privacy and security requirements no less stringent than those set out herein; and
 - e. if for any reason the Vendor does not comply, or anticipates that it will be unable to comply, with the applicable Data Protection Laws and/or a provision in this Privacy Code in any respect, the Vendor must promptly notify MEC of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

Access to, Custody and Control of Personal Information

4. In the course of providing the Services and/or supplying Product to MEC under the Agreement, it may be necessary for the Vendor to access, or the Vendor may have incidental or inadvertent access to Personal Information in MEC’s custody or control. To the extent that such access is intentional in accordance with the Agreement, any such access will be granted in MEC’s sole discretion. Whether access is intentional, incidental, or inadvertent, any such access will be subject to and managed in accordance with the Vendor’s obligations under applicable Data Protection Laws, the Agreement, and this Privacy Code.
5. Regardless of whether the Vendor takes possession of Personal Information, MEC will at all times remain in control of such Personal Information.

Collection of Personal Information

6. Unless the Agreement otherwise specifies or MEC otherwise directs in writing, the Vendor:
 - a. shall collect, create, use, or disclose Personal Information only as necessary in connection with the subject matter of the Agreement and for no other purpose;
 - b. shall collect Personal Information only from MEC; and
 - c. must not use the Personal Information to contact an individual.

Accuracy of Personal Information

7. The Vendor must make every reasonable effort to ensure the accuracy and completeness of any Personal Information to be used by the Vendor (or MEC if the Personal Information is collected or created by the Vendor) to make a decision that directly affects the individual the information is about.

Requests for Access to and Correction of Personal Information

8. If the Vendor receives a request for access to, or correction of, Personal Information from a person other than MEC, the Vendor must promptly advise the person to make the request to MEC at privacy@mec.ca, or such other address as MEC may provide Vendor from time-to-time.
9. Where the Vendor has Personal Information in its custody, the Vendor must cooperate with MEC in responding to any access request that MEC receives, including by promptly delivering a copy of the Personal Information to MEC, so that MEC can respond to the request in accordance with the applicable Data Protection Law.
10. Within 5 Business Days of receiving a written direction from MEC to correct or annotate any Personal Information, the Vendor must annotate or correct the information in accordance with that direction.
11. Within 5 Business Days of correcting or annotating any Personal Information in accordance with section 10 of this Privacy Code, the Vendor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to MEC, the Vendor disclosed the information being corrected or annotated and, in such cases, the Vendor shall promptly advise MEC of same.

Protection of MEC Information

12. The Vendor will protect any Personal Information in its custody by making reasonable physical, technical, administrative, and organizational arrangements to keep Personal Information secure against such risks as unauthorized access, collection, use, disclosure, modification, damage or disposal, and any other risks expressly set out in the Agreement. Such arrangements shall include, without limitation, establishing, maintaining, and fully complying with policies and procedures to ensure appropriate levels of security, back-up, disaster recovery and business continuity are maintained. The Vendor shall provide copies of any such policies and procedures, and any updates or amendments thereto, to MEC upon request.
13. To the extent that the Agreement requires the Vendor to collect MEC Information into Vendor Systems, the Vendor will use commercially reasonable security measures to safeguard against the unauthorized destruction, loss, alteration of, or access to MEC Information (whether such information is on the Vendor's Systems, in hard copy, in transit or being disposed of).

Information Security Policies

14. The Vendor warrants that it has adopted, documented, implemented and shall adhere to commercially reasonable written information security policies for maintaining security controls to protect against (i) the theft or unauthorized destruction, loss, alteration or disclosure of, or access to, MEC Information and (ii) the breach or potential breach of security relating to Confidential Information, MEC Systems, Vendor Systems,; and (iii) all other unlawful activities affecting Systems or Personal Information (each, a "Privacy or Security Incident"). The Vendor shall reasonably discuss such policies with MEC.
15. The Vendor's information security policies shall include physical, organizational, administrative, and technical controls. The controls shall relate to the collection, maintenance (including access rights), transmittal and disposal of MEC Information, and should include training, monitoring, oversight, tests for vulnerabilities, encryption, audit results, system checks and measures to prevent and detect a Privacy or Security Incident.

Privacy or Security Incident

16. Not later than 72 hours after Vendor determines or is notified that a Privacy or Security Incident has occurred, the Vendor will immediately notify the MEC representative at the address specified in the Notices section of the Agreement. As soon as practicable thereafter, Vendor shall, as instructed by MEC, investigate the Privacy or

Security Incident and take all appropriate actions to recover and protect any MEC Information, and to contain, remediate the effects of, and mitigate any risks that may arise from, the Privacy or Security Incident; provide MEC with a written report on the outcome of its investigation including any risk to MEC Information, the corrective action the Vendor will take, or has taken, to respond to the Privacy or Security Incident and such other information as MEC may reasonably request; and preserve all records and other evidence relating to the Security Incident and provide MEC with assurances satisfactory to MEC that such Privacy or Security Incident shall not recur.

17. No independent action to correct a Privacy or Security Incident shall be taken unless failure to immediately respond will result in irreparable harm to MEC. MEC may disclose the occurrence of a Privacy or Security Incident involving Personal Information as required by law or deemed necessary or prudent in MEC's sole discretion, including, as applicable, any substitute notice required by law ("Notifications").
18. The Vendor shall cooperate in good faith with MEC in MEC's handling of any Privacy or Security Incident, including without limitation any investigation, reporting, the timing and manner of any Notifications, or other obligations required by applicable law, regulation, ordinance, or code, or as otherwise required by MEC to respond to and mitigate any damages caused by the Security Incident.

Indemnity

19. The Vendor agrees to indemnify MEC for any costs and losses incurred in connection with a Privacy or Security Incident including, without limitation, the cost of reconstructing data and data forensics (including any security audits or reviews of Vendor's systems reasonably requested by MEC), the cost of Notifications and providing credit monitoring and identity theft protection and restoration services to affected individuals, and any outside counsel fees incurred by MEC related to such Privacy or Security Incident.
20. The Vendor acknowledges and agrees that its liability to MEC for its failure to comply with the requirements in this Privacy Code shall in no way be limited by anything contained in the Agreement or any Purchase Order to the contrary, including any provision limiting the types and amounts of damages. The Vendor's reimbursement and indemnity obligations in this Privacy Code are in addition to, and in no way a limitation of or substitution for, any and all indemnification obligations the Vendor owes to MEC pursuant to the Agreement.

Vendor Privacy Contact

21. Promptly after execution of the Agreement, Vendor will designate a person within the Vendor to be responsible for privacy compliance and to be the contact for the purposes of this Privacy Code.

Access to and Retention of Personal Information

22. To the extent that the subject matter of the Agreement requires the Vendor to collect or create Personal Information and subject to receipt of any written direction from MEC, the Vendor will only store and retain such Personal Information for the minimum amount of time required in order to discharge its obligations under the Agreement that relate to such Personal Information.
23. To the extent that the Vendor gains incidental or inadvertent access to Personal Information, the Vendor shall not collect or retain the Personal Information, including any copy thereof.
24. If the Vendor does for any reason collect Personal Information, either directly from MEC or from another source, that it does not require for the purposes of the Agreement, the Vendor shall seek written direction from MEC regarding whether any Personal Information incidentally or inadvertently collected by the Vendor should be returned to MEC or securely destroyed by the Vendor.
25. Upon MEC's written request, the Vendor shall promptly identify in writing all individuals who have been granted access to Personal Information as of the date of the request.

Notice of Court Order for Disclosure

26. If the Vendor receives an order by a court, person or body with jurisdiction to compel the production of information to produce or seize or access records affecting MEC, the Vendor must immediately notify MEC, and in order to allow it to respond to or challenge the order as it deems fit, must advise MEC of the nature of the court order for disclosure, the type of the information being sought by the court order, the name of the organization or individual initiating the court order; and any other relevant information.

Inspection of Personal Information

27. In addition to any other rights of inspection MEC may have under the Agreement or under statute, MEC may, at any reasonable time and on reasonable notice to the Vendor, inspect or audit any of the Vendor's information

management policies or practices relevant to its management of Personal Information or its compliance with this Privacy Code and the Vendor must permit, and provide reasonable assistance to, any such inspection.

General

28. Any provision of the Agreement (including any direction given by MEC under this Privacy Code) that conflicts with the applicable Data Protection Laws or an applicable order of a regulator charged with enforcing an applicable Data Protection Law, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
29. The Vendor must comply with the provisions of this Privacy Code despite any conflicting provision of the Agreement or the law of any jurisdiction outside Canada.