

May 23, 2016

Dear Kate Spade & Company Vendor Partners:

The International Maritime Organization (IMO) will require shippers to verify the gross mass of all ocean containers before they are shipped. The International Convention for the Safety of Life at Sea (SOLAS) will take effect on July 1, 2016.

The guidelines for verified weight can take place in two forms as stated within the SOLAS treatise.

Method 1: Weigh entire container and its contents

Method 2: Weigh cargo and packaging materials locally, add the tare weight of the container and submit the sum total

In an effort to satisfy this guideline Kate Spade & Company will partner with our booking agents, freight forwarders and consolidators to submit the verified gross mass (weight) using Method 2. To satisfy this requirement we ask that all Kate Spade & Company vendors continue to weigh and submit the total weight of the products and all packaging materials to our nominated agent partners in each region. This weight should also be matched and stated on the packing list and electronically in the ASN (EDI 856). This is a current and ongoing practice and nothing should change within your operations.

Further to this practice we will amend our CFS and CY procedures as follows:

CFS – no other action is needed other than sending/communicating the weight of the final goods and its packaging. Our consolidator will finalize the VGM at their Container Freight Station (CFS) by adding the tare weight of the actual shipping container.

CY – for those shipments where the vendor is self loading and delivering the container to the container yard the attached Verified Weight Mass form must be filled out and submitted to our booking agent via email, fax and or web portal – timing is to be determined. Vendor must transcribe the tare weight stated on the container into which the goods will be loaded. This tare weight can be found on the doors of the container (see example).

Our agent will then pass that combined information along to our nominated ocean carrier as the official Verified Gross Mass.

Please review and apply any additional regulations as specified by your local and national governmental agencies with regard to SOLAS, e.g. registration, certify weights/measure devices, etc...

Should you have any additional questions please contact the below persons:

- Jesse Lam, Sr. Manager Logistics, in our Hong Kong Office – jesselam@katespade.com
- Huascar Cruz, Sr. Director Import/Exports, in our USA Office – hcruz@katespade.com

Sincerely,

Huascar Cruz
Senior Director Imports/Exports

cc
John Gotthardt, VP Global Logistics & Distribution
Darlene Collova, VP Global Trade & Compliance
KS&C Production Teams (Kate Spade/Jack Spade/Adelington)
US/HK/UK/JP Logistic Teams

CONTAINER TARE WEIGHT INFORMATION LOCATION:

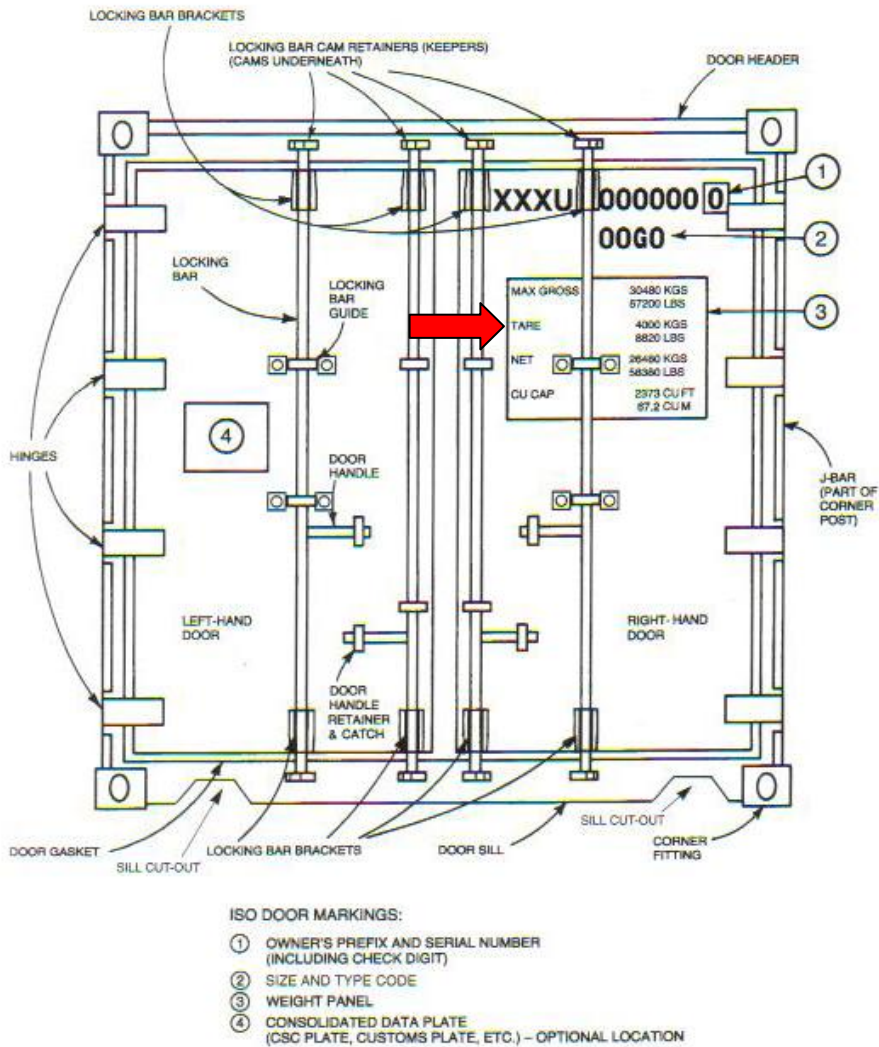


Fig. 3/Door (rear) end component detail



BOOKING AGENT VERIFIED WEIGHT MASS (WEIGHT) FORM:

KATE SPADE & COMPANY™	
VERIFIED GROSS MASS (VGM) TEMPLATE*	
Booking details (By Booking Agent)	
Carrier Name	_____
Carrier SCAC Code	_____
Carrier Booking Number / BL Number	_____
FCR or HBL reference number	_____
VGM (By Shipper)	
Container Number / Seal Number	_____
Container Size / Type	_____
Place of Receipt	_____
Delivery Method (CY or CFS)	_____
Weighing Method	_____
Cargo weight (kgs)	_____
Container tare weight (kgs)	_____
VGM of Full container (kgs)	_____
Weighing Date (dd-mmm-yyyy)	_____
Certificate Number	_____
Weighing party details (By Shipper)	
Name	_____
Address	_____
Contact details	_____
	<i>Contact</i>
	<i>Telephone</i>
	<i>Email</i>
Shipper details (By Shipper)	
Name	_____
Address	_____
Contact details	_____
	<i>Contact</i>
	<i>Telephone</i>
	<i>Email</i>
Signature Name of	_____
Additional information	_____

* Shipper warrants to the Carrier that the VGM information, whether in aggregate or any element of it, provided by the Shipper above has been established in accordance with the International Convention for the Safety of Life at Sea of the International Maritime Organization (SOLAS) and checked by the Shipper and that such information and particulars furnished by or on behalf of the Shipper, are accurate, adequate, complete and correct. The Shipper acknowledges and agrees that booking agent will rely on the completeness, accuracy and timeliness of the VGM information and use this to comply with its obligations to other parties in accordance with SOLAS.

Shipper shall be liable for and agrees to defend, indemnify, and hold harmless, any other party, its respective affiliates and its respective directors, officers, employees, subcontractors, servants and agents from and against all claims, liabilities, losses, damages, costs and expenses, including attorney's fees, arising out of, or in connection with the use of the VGM information.



KS&C VGM Form
Template.xlsx