

SPRINGS GLOBAL **CORPORATE PURCHASING POLICY**

PURCHASING PRACTICES

Commitments for purchases are valid only when evidenced by a purchase order or contract signed by an authorized purchasing associate, a Division President, or an Executive Vice President.

Vendors may not solicit sales other than through the appropriate purchasing associates. Approved vendors may present their products to manufacturing personnel. However, all vendor negotiations concerning price, terms, or conditions are to take place with the appropriate Purchasing Manager or Buyer. Vendor sales representatives will be received in the appropriate purchasing departments.

Standard freight terms are F.O.B. Destination, Freight Collect.

SOURCE SELECTION

In selecting sources of supply, the purchasing departments will endeavor to work in the company's best interest and simultaneously to create and maintain good relationships with vendors. Vendors will be treated fairly. When bids are requested, sources will not have been predetermined. When qualified vendors request permission to quote, their quotations will be welcomed and considered and they will be given the opportunity to present their products.

Purchasing encourages competition among potential suppliers to obtain the quality, reliability and service required by the company. New sources will be sought as conditions warrant, but efforts will be made to maintain strong relations with our tested suppliers.

We will:

Buy from reputable sources with stable financial conditions that enable them to fulfill their commitments. Purchasing Managers and Buyers shall keep informed of the financial conditions of the firms with which we deal.

Secure competitive bids unless: only one source of supply exists; the occasion is an emergency order; the amount is too small to warrant the cost of obtaining bids; or evidence from recent bids and experience justify placing an order without obtaining bids.

Consider all vendors fairly without regard to race, color, religion, sex, age, national origin, physical disabilities, veteran status, or sexual orientation.

Award business to the bidder who offers the company the greatest value, considering price, quality, warranties, product performance, credit terms, delivery and vendor service and reliability.

VENDOR RELATIONSHIPS

A vendor will, if possible, have a free and full hearing of its sales presentation the first time it calls. Reception subsequently will depend upon circumstances of the particular case. If an interview is denied, Purchasing will nevertheless acknowledge the call promptly and explain why the interview was not granted.

When a free sample is accepted, the company assumes an obligation to make a fair trial and inform the vendor of the outcome of the test, at least in general terms. When the company buys sample lots, however, it incurs no obligation to report to vendors.

ETHICS

It is Springs Global's policy to conduct business fairly and in an ethical and proper manner. We take pride in maintaining long-term business relationships with suppliers based on their ability to provide value to the ultimate customer, the consumer. Bribes, kickbacks, gifts with a value in excess of \$25.00, personal favors, or entertaining on a lavish scale are not tolerated. This does not include ordinary business meals or reasonable entertainment considered to be a normal part of a business relationship and which does not detract or have the appearance of detracting from the integrity of the relationship.