

## **Section 1**

### **PRODUCT QUALITY STANDARDS**

- Only the highest quality product will be accepted by Giftcraft.
- Colour, size and finish must exactly match the approved sample. Otherwise, the product will be rejected.
- All shipments that require Giftcraft QC to perform additional quality control checks outside of the normal process or incur additional labor costs at the fault of the vendor will be charged back to the vendor.
  - As a result of our audit of all nonconforming items we have established a chargeback policy.
  - The chargeback process has been designed to cover any costs associated with sorting, reworking, relabeling, returning and or destroying of defective items as well as administration duties of processing charge back, changing or canceling customer order, editing catalogue as well as financial impact to our business fine from customer for late or cancelling shipment and customer relations and trust.
  - There will be a US\$50 administrative charge for every nonconforming violation plus additional hourly labor cost of US\$25 for rework
  - A Supplier Certificate of Inspection must accompany each shipment.
  - The UPC label, hangtag or candle holder warning label with country of origin must appear on each component of the set item. When using UPC hangtag the string must be fixed properly so it cannot be removed from the item. Candle holder warning hangtag is only acceptable, if there is no surface for label and the hangtag is not removable.
  - All items shipped to us including samples must be labeled with country of origin.  
All items shipped to us including samples produced in Hong Kong must be labeled with country of origin marked as "Made in Hong Kong/ China/ Fabriqué en Hong Kong/ Chine".  
Please refer to CSMS # 43633412 to read the complete publication.
  - Any glass / ceramic item that is not FDA approved must be labeled with a "Decorative Use Only" label (refer to Section 6.8). The label must be visible at retail and needs to be applied directly onto the item itself to ensure that it cannot be easily removed.  
If necessary, the vendor may use a hand tag but they will have to make sure that it is securely fastened and cannot be easily removed.
- All products shipped to us must be compliance with California Proposition 65.
- In accordance with U.S. Environmental Protection Agency (EPA) and Health Canada there are national formaldehyde emissions standards and third-party certification requirements for regulated composite wood products (hardwood plywood, medium-density fiberboard and particle board) being imported into United States and Canada. Vendors must label their products.  
Therefore, all composite wood used in the production of items being purchased by Giftcraft must be certified as being "TSCA Title VI Compliant" by an EPA approved 3rd party lab.
  - All products made of wood, bamboo, rattan including roots, seeds, parts or products thereof supplier is required to complete the Plant and Plant Product Import Declaration (PPPD) Form to comply with USDA Lacey Act.
  - In an effort to comply with the USDA regulations, Giftcraft will not accept ANY items produced of real wood that have a branch or twig that is greater than 1 cm in diameter OR any wood items that are covered in Bark regardless of diameter. Suppliers failing to comply with these requirements will be subject to penalties.
  - All wood items must be declared in detail listing the wood name (i.e. Asian White Birch) and the scientific name (i.e. Betula Platyphylla) on all Correspondence including Quote sheets and commercial invoices.

- All products of Wood, Bamboo, Rattan including Roots, Seeds, Parts, or products thereof, **MUST** be Fumigated AND a compliant Fumigation certificate must be provided at the time of shipment.
- **Cosmetics**
  - Cosmetics are classified as items intended to be used for enhancing and promoting beauty and attractiveness. Examples include perfumes/fragrances, make up, lip balms, skin lotions, etc

### **Labeling Requirements**

- Giftcraft expects all suppliers to comply with the applicable Canadian and U.S Federal, States laws/regulations, Canada Competition Bureau, U.S. Federal Trade Commission, Canada Border Services Agency, and U.S. Customs Service requirements and those of the respective country of manufacture or exportation
- **Apparel**
  - Textile apparel products must be correctly labelled with all required disclosures. Subject to limited exceptions, they must be labelled regarding the following:
    - Country of origin (in English and French)
    - Fiber content- Generic name and percentages of fiber by weight in descending order of predominance (in English and French)
    - Dealer identity information or CA number for Canada and Registration Number (RN#) for U.S.
    - Complete and accurate care instructions
- **Footwear**
  - Footwear products must be correctly labeled with all required disclosures. Subject to limited exceptions, they must be labelled with country of origin; fiber content and shoe size. Size can be stamped in the sole, printed, or stamped in the shoe upper; or an adhesive label can be used if it is not be easily removed
- **Accessories**
  - Accessories must be correctly labelled with all required disclosures. Subject to these limited exceptions, they must be labeled with the following:
    - Country of origin (in English and French)
    - Fiber content (if includes textile or faux leather)) (in English and French)
    - Dealer identity information or CA number and RN# (if includes textile fiber)
- **California Proposition 65**
  - Giftcraft requires its products to comply with California Proposition 65 (Prop 65) either by reformulation, or if reformulation is not possible, by including warning labeling and signage
- **All home decorations including holidays items**
  - All home decorations including holidays items Giftcraft requires “NOT A TOY. DECORATIVE USE ONLY KEEP AWAY FROM CHILDREN” tag in English and French. (Refer to section 6.18)
- **If ceramic, porcelain, or resin required backstamp the merchandising team will provide artwork. (Refer to 6.9)**
  - Any decorative glass/ ceramic item that is not intended for food contact and have not been tested to comply with food contact regulations will need a permanent sticker with removable adhesive on the physical product that states “DECORATIVE USE ONLY” in English and French (refer to 6.8)
- All composite wood items must affix valid TSCA / TTL 6 label (refer to 6.14)
- Item operate on button or coin battery shall have warning (refer to 6.19) and consult Product Compliance Analyst Marina Saez [MSaez@giftcraft.com](mailto:MSaez@giftcraft.com) for its testing and warning requirements.
- Country of origin (refer to 6.15)

- **Polybag suffocation warnings**
  - Polybag must be transparent with minimum film 0.90 mil thickness with a 5-inch opening or larger and less 1.0 mil in thickness are required to have suffocation warning with minimum font size 10 points and warning on both sides and if width is more than 40 inches be repeated at 20-inch intervals (Refer to 6.12). Shall have vent holes and have at least one mold preventive unit in packaging
- **Label for candle holder (Refer to 6.5)**
- **Label for burning candle (Refer to 6.6)**
- **US Law Label**
  - Suppliers are required to meet all Law Label content disclosures and format requirements specific to each State (Refer to 6.10)
  - The State of Ohio requires that all non-toy stuffed/filled decorative items, including holiday articles, have a law label securely attached
  - The State of Utah requires that Manufacturers of quilted clothing and filled slippers register with the State.
  - **Sterilization for Down, Feather and Wool Filling**
  - Down, Feather and Wool filled products require the statement "CONTENTS STERILIZED" and a sterilization permit number must be obtained for each manufacturer. This permit number is in addition to the URN and must be printed on the law label. Permit numbers are approved only after processing plant inspection. Permit numbers can be obtained through the State of Pennsylvania at Sterilization permits must be registered with each State that requires sterilization.
  - Utah requires the sterilization permit number to be present on the label of quilted clothing and filled slippers.
  - **Upholstered Furniture Filling Material Flammability**
  - In California, upholstered furniture required to have a flammability label following TB 117-2013 and flame-retardant disclosures following SB1019
- **Labeling requirements for eyewear glasses**
  - Manufacturer name and business address and valid postal code if country of origin is China
- **Marking for pen, or pencil as a set**
  - All pencil/ pen must be marked with country of origin marking where practical else hangtag or label must be affixed. (Refer to 6.16)
- **The US Consumer Product Safety Improvement Act (CPSIA)**
  - CPSIA requires consumer products subject to a consumer product safety rule or any similar CPSC rule, ban, standard or regulations enforced by the Commission to issue General Certificate Conformity (GCC) and Children products intended for 12 years of age or younger requires Children Product Certificate (CPC) based on test results from CPSC accredited testing lab.
  - CPSIA requires children's products to have a tracking label and it must be permanent distinguishing mark on product and packaging to the extent practicable. The tracking label must reference the supplier's company, country of manufacturer, production date and batch code. Compliance will assist with the tracking label and advise on testing requirements.
  - **Illinois Lead Poisoning Prevention Act**
  - Jewelry, children's articles and/or toys containing paint that are intended for children that contain more than 40ppm and less and 600ppm of lead must include the following warning:
  - **WARNING: CONTAINS LEAD. MAY BE HARMFUL IF EATEN OR CHEWED. COMPLIES WITH FEDERAL STANDARDS.**
- **Electrical products**
  - All electrical products must be 100% electrically certified by a Nationally Recognized Testing Laboratory (NRTLs) that meet both US and Canada standards

- **Cosmetic Products**
  - Facility that engages in the manufacturing of cosmetic product for distribution in US to register each facility with US FDA
  - Item must have lot / batch number and shelf life or expiry date
- **All fur-bearing articles of clothing containing faux fur**
  - The label should clearly state that it is "FAUX FUR FAUSSE FOURRURE" and provide the actual material content in English and French

## **PROTECTIVE PACKAGING STANDARDS**

- All products must be packaged according to the standards described in the Giftcraft Supplier Guide to ensure the product arrives to the Giftcraft customer without damage through shipping and handling (See Section 4).
- All cartons must be fully packed, with no void spaces or over loading (bulging) and packaging surfaces must be flat and strong enough to support its weight and the weight of other cartons placed on top without distortion, deflection or bending
- Straps or bands are not allowed as cartons might be placed on conveyer system during warehouse handling and processing. Ensure flaps secure with an adhesive that can withstand normal handling, vibration, abrasion, compression, humidity, and range of temperature.
- In order to comply with US legislation Toxic in Packaging requirements that prohibit the sale or distribution of packaging containing more than 100 ppm in weight in total of the following heavy metals: cadmium, lead, mercury, and hexavalent chromium. No intentional introduction of any amount of these metals is allowed. Vendors must provide a signed self-certification document attesting that all packaging materials used with the submitted product complies to the intentional and accidental heavy metals requirements.
- Product that arrives at the Giftcraft facility in sub-standard packaging will be repacked. All costs incurred in re-packaging merchandise will be charged back to the supplier.

### **Summary of Protective Packaging Requirements**

- Inner and Master carton Packaging must pass 3 feet (90 cm) or 45 cm drop test on all six sides of the carton packaging, as specified on "Packaging Styles" charts listed on page 24.
- Fragile products must be packaged using either Style A (Styrofoam mold that completely encloses the product); Style A1 (Top / Bottom Styrofoam mold) or Style A3 (6 walls Styrofoam sheet inside the inner carton).
- Styrofoam molds must provide a 1.5-inch gap, from every edge, between the product and the inner carton walls. This distance must also be addressed in the mold cavity where the product sits.
- All products, regardless of the chosen protective packaging, must fit snugly inside the inner carton to avoid movement. All empty spaces created by the shape of the product inside the inner must be filled.
- All corners must be protected using cardboard or Styrofoam corner caps.
- Products must be wrapped a minimum of 3 times when bubble wrap is used for protective packaging.
- Sufficient Silica gel pack must be put inside the box/ polybag to prevent damage from moisture. Its verbiage warning must be in English and French. (Refer to 6.13)
- Add to the top/ bottom of inner/ master carton a paper/ cardboard sheet / bubble wrap to avoid cutting the item when open the carton.

- **Review section 4 “Protective Packaging Standards” for more detailed information on protective packaging**
- **Do not use foam packing peanuts**
- **Items that are coordinate group sold as a set must be packed in the same carton or polybag with its single UPC label according to Buyer Purchase Order.**