



Sears Marketplace Vendor Information Guide

February 2022

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Recent Revisions to this Guide

FEBRUARY 2021

Section 3.1.3 - duplicate sentence removed

Section 3.3.4

Carriers and Tracking IDs: The 2nd bullet point regarding High valued Merchandise was added.

Damaged, Lost or Stolen Packages: Wording has been updated for clarification. “Sears **expects** Sellers to use signature required tracking on packages **of high valued Merchandise**. ... and no **signed** proof of Member delivery.... Will be charge to the Seller unless **a signed** proof of delivery...”

Section 3.3.6 Product Reviews has been added

JUNE 2021

Section 3.1.3 Selection and Price Parity updated

Section 3.3.4 Shipping – Damaged, Lost or Stolen Packages: wording was updated to clarify that a debit is issued to the Seller when there is no signed POD and a refund is issued.

Section 3.4 Refunds and Returns updated with wording regarding expectation for return request generated via the online order center.

Seller Support website domain links updated to <https://marketplace.sears.com>

NOVEMBER 2020

Removal of the Fulfilled by Sears program which was decommissioned.

- ✓ Removed Section 1.1.2 Sell Through Sears
- ✓ Removed Section 1.1.3 Program Comparison
- ✓ Updated 1.2 Cost of Doing Business to remove FBS (Now section 1.2)
- ✓ Renumbering of subsections in Section 1

Updated contact emails from @searshc.com domain to @transformco.com as necessary.

Updated [section 2.2.2](#) Performance Management to include additional temporary actions of extending payment remittance period during probationary periods.

Added new [section 3.3.5](#) Additional delivery services and installation

MARCH 2020

- ✓ References to former corporate structure (i.e., Sears Holdings Management Corporation (“SHMC”)) updated to reflect new ownership structure - Transform SR Holding Management LLC (“TSHM”)
- ✓ [Section 2.3.2](#) – Changed domains required to be whitelisted (seller.sears.com)

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- ✓ [Section 2.4](#) - Added new section - Seller Name Standards
- ✓ [Section 3.1.3](#) – Wording updated to specifically note price gouging
- ✓ [Section 3.3.4](#) - Added new sub-section - Damaged, lost or stolen packages
- ✓ Various changes to language to improve clarity

MARCH 2018

- ✓ Section 1.2 - updated to reflect multi-channel fees increase
- ✓ Section 3.6 - Seller debits

FEBRURARY 2018

- ✓ Section 3.3.1 – Member Communication
 - Attachments can now be sent and received by Seller or member
- ✓ Section 3.3.4 – Shipping Address Changes subsection added
- ✓ Section 4.6 - SALES TAX SETUP section updated

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1. INTRODUCTION

The Sears Marketplace Vendor Information Guide (“VIG” or “Guide”) is the primary source of information regarding requirements for all Marketplace Sellers as defined by Transform SR Holding Management LLC (“TSHM”) and its affiliates (collectively “Sears”). This Guide may be modified as needed at the sole discretion of TSHM. Please access the Guide via the Seller Portal to ensure that you are reviewing the most recent version.

The information in this Guide includes the service levels that all Sellers must maintain. Seller service levels will be monitored and measured by Sears. If a Seller falls below expectations set herein, the Seller may incur charges to help offset lost sales and additional operating expenses resulting from unsatisfactory performance and lose selling privileges.

The Sears Marketplace Vendor Information Guide contains confidential information and is, and shall remain, the property of Sears. By accepting this Guide, you agree that you will not distribute any information contained in this Guide to any third-party without prior written permission.

1.1 ABOUT THE SEARS MARKETPLACE

Sears Marketplace is an innovative e-commerce community that allows you (“Seller”) to sell your products (“Merchandise”) on websites (“Sears Website” or “Sears Websites”) that are managed and operated by Sears on behalf of Sears to consumers (“Members”) visiting the Sears Websites.

The Sears Marketplace Sell on Sears Program allows Merchandise to appear and be purchased on Sears Websites through our secure checkout process including our fraud protection services.

1.1.1 SELL ON SEARS (FULFILLED BY MERCHANT)

Sell on Sears (also called Fulfilled by Merchant (“FBM”)) – The FBM Program enables you to post Product Listings and sell Merchandise to Members through the Sears Websites. Sears processes all Member order requests for your Merchandise. Once a Member purchases one of your items, you will have access to the order information necessary for you to fulfill the order through your delivery methods. After you have shipped the order with verifiable tracking information, an invoice will be generated and you will be paid the amount due to you via direct deposit into your specified bank account.

1.2 COST OF DOING BUSINESS

Monthly Program Fee: \$39.99 per month deducted via EFT or payable by the credit card on file.

Assessed at the beginning of each month allowing you to receive unlimited orders for that month and granting you access to Seller Support, hosting and maintenance cost.

Commissions: Between 7% and 20%

For a detailed breakdown, log in to the Seller Portal and see the Item Class Commission table under Products > Product Mgmt > Bulk.

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1.3 GETTING HELP

In addition to the information in the VIG, training resources and [Seller Support Knowledge Base](#) are available and designed to be your primary source for help and answers to your questions. We highly encourage you to refer to these resources prior to requesting the help of Seller Support.

1.3.1 TRAINING WEBINARS AND VIDEOS

Training webinars and videos are provided at no additional cost to the Seller. To view on-demand versions of webinars, please visit our [Getting Started page](#). Training topics include:

- [Seller Portal Introduction](#)
- [How to Create Items](#)
- [How to Sell Successfully at Sears Marketplace](#)

1.3.2 SELLER SUPPORT KNOWLEDGE BASE

The [Sears Marketplace website](#) provides an abundance of articles to help Sellers resolve issues and sell successfully. Please visit this URL to view all of the Seller help materials:

https://marketplace.sears.com/support/?utm_source=VIG

1.3.3 SELLER PORTAL REPORTING

Reporting tools are available in the Seller Portal and report information and detailed instructions can be found in the [Seller Support Knowledge Base](#). Example reports include:

- Removed Items Report
- Remittance Info
- Purchase Order Reports

1.3.4 SELLER SUPPORT

The fastest way to get an answer to common questions about the Programs is usually to access the resources listed earlier in this section. If you have searched these self-help tools and still cannot find the answer you are seeking, a case may be opened to contact Seller Support via <https://searsmarketplace.secure.force.com/contactus/> or by clicking the Contact Us link while logged in to the Seller Portal.

1.3.5 OTHER CONTACTS

Department Name	Email/Website	Reason to contact
Accounts Payable	aphelp@transformco.com	Inquires related to payments
Electronic Funds Transfer	APEFTMailbox@transformco.com	Updating your bank account information
General Seller Inquires	https://searsmarketplace.secure.force.com/ContactUsNew	
Fraud Prevention	www_it_infoprot_lp@transformco.com	You suspect an order is fraudulent

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2 SELLER STANDARDS

2.1 TRUST AND SAFETY

Sears' mission is to provide world class service and value to Members of our ShopYourWay loyalty program. In line with the mission we want our Members to shop the Sears Marketplace with complete confidence. To ensure a seamless transaction we require our Sellers to adhere to the following:

2.1.1 MARKETPLACE GUARANTEE

The Marketplace Guarantee applies to all products sold on the Sears Marketplace. If Members are not satisfied with their Marketplace experience, Sears will contact the Seller and request they resolve the Member's concern. Should the Seller not resolve a Member's concern(s), Sears will refund the cost of the order and shipping. This can result in a deduction from the amounts paid to a Seller.

To be in compliance with the Marketplace Guarantee, ship the correct item on-time and with accurate tracking information. In cases where Members are not satisfied with their purchase experience, provide each Member with exemplary customer service to resolve their concern(s). Please communicate professionally, clearly, quickly and accurately with both Members and Sears when you receive communication from either source. Verifying that your Customer Service contact information is up-to-date in your Seller Portal will allow for proper routing of communication from Sears and Members.

2.2 SELLER PERFORMANCE

Our Seller requirements are designed to help us achieve our mission by ensuring that Merchandise reaches our Members in a timely manner and as advertised. Unfulfilled promises can result in dissatisfied Members and lost sales.

Sellers must provide an accurate order prep time (SOPT) when building items and ship on or before the Ship by Date (Expected Ship Date).

Sellers are required to list only items and inventory quantities that are in their possession and actually available to fulfill to Members. All Merchandise must be able to be shipped immediately within the order processing time (SOPT) provided. We do not support backorders or substitutions. A Seller should only cancel orders in response to a Member request or if Sears requests the cancellation.

When Sellers do not meet these minimum expectations, Sears may take actions as defined in this VIG.

2.2.1 PERFORMANCE METRICS AND TARGETS

Sellers are evaluated on a number of performance metrics and must maintain performance levels at or above the target value. These metrics include but are not limited to:

Metric	Definition	Target
Total Cancellation Rate	% of orders cancelled divided by the total items orders in a 30-day period	< 3.5%
Late Ship Rate	% of orders shipped after Expected Ship Date in a 30-day period	< 4%

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2.2.2 PERFORMANCE MANAGEMENT

Sellers may receive system-generated or other notifications when they are not meeting performance expectations. In many cases, Sellers will be given an opportunity to improve their performance metrics over a specified period of time to be determined based on the severity of the infraction, but Sears reserves the right to immediately revoke selling privileges of a Seller when the Member experience has or may be negatively impacted.

If the required performance improvements are achieved, Sellers will be given the opportunity to remain in the Program. If a Seller does not make the necessary improvements during the specified period of time, Sears may revoke selling privileges and the Seller will be required to provide a plan of action to correct all deficiencies leading to poor performance. Once Sears has agreed to the plan of action, the Seller may be allowed to sell again within a probationary period. During the probationary period, Sears may take additional temporary actions including, but not limited to, increasing Seller commission rates, extend payment remittance period and suppression of Merchandise in search results.

Per the Sears Marketplace Terms and Conditions, Sears reserves the right to terminate the Seller relationship at any time for any reason without prior notice.

2.3 CUSTOMER SERVICE REQUIREMENTS

Sellers are required to provide customer service for items listed on Sears Websites and for orders received through the Seller Portal. Sellers must respond to all questions, inquiries and requests from Sears and its Members submitted through phone, message center or email. **Responses must be made to all inquiries within 1 business day of being contacted.**

Failure to respond within the specified timeframe may result in:

- **Reductions in the amounts paid to a Seller due to chargebacks and refunds related to Member satisfaction issues**
- **Seller becoming responsible to arrange, coordinate and complete return shipping**
- **Seller items becoming banned, blocked, lowered in search results and/or group ranking**
- **Account being placed on payment hold with temporary or permanent loss of selling privileges**

2.3.1 CUSTOMER SERVICE PHONE NUMBER

All Sellers are required to offer Member support via phone. During account setup, a verifiable customer service phone number reachable from the US without international charges must be provided. This phone number must be kept up-to-date. While it is preferred that a person is available to answer every call during the customer service hours specified on the Customer Service Information page, voicemail may be used provided that:

- 1) The company name is announced as is displayed on Sears Websites
- 2) The expected time for a callback is provided, and honored within the required timeframe for response

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2.3.2 CUSTOMER SERVICE EMAIL ADDRESS

Your customer service email is the primary email address that is used by Members and our Member Services Organization (“MSO”) to communicate regarding Member orders. This email address is used when a Member chooses the “Contact Seller” feature on our websites. It is also where order cancellation or return authorization requests will be sent. The Customer Service email must be verified every 90 days. Failure to do so will result in a loss of selling privileges until it has been verified. To ensure that your service provider is not blocking emails from Sears and Members, please whitelist the following:

- searsmpsellersorders@customerservice.sears.com
- Marketplace_noreply@transformco.com
- sears@order.sears.com
- all emails from the domain @seller.sears.com
- all emails from the domain @transformco.com
- all emails from the domain @marketplace.transformco.com

2.4 SELLER NAME STANDARDS

The “Business Display Name” which identifies your business on Sears Websites must be a name that accurately identifies your business and does not interfere with Member experience on Sears Websites.

- Business Display Names may not create confusion or be misleading.
- Seller must have the right to use the name. Seller cannot use trademarks, registered brand names or other intellectual property that Seller does not own in whole or as part of a name.
- Seller’s Business Display Name shall not be or include a website address and shall not include any domain suffix.
- Business Display Names should not include special characters such as “%” or “#” or other symbols that may be misleading.

Exceptions may be approved by Sears.

3 OPERATIONAL REQUIREMENTS

3.1 ITEM MANAGEMENT

Item management through the Seller Portal allows Sellers to build items, control inventory, update pricing and remove items no longer being sold. The Seller Portal can be accessed in a variety of ways. The most popular ways to access Seller Portal are API, User Interface (“UI”) or through the use of a 3rd party’s software or service.

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3.1.1 ITEM STANDARDS

All items created must include:

- Item ID – Your internal item identifier that uniquely identifies a given item. For items with variations (e.g., size, color), appropriate grouping using the Variation Group ID must be included.
- Title – Item title only. Do not include the brand or other item attributes specified elsewhere.
- Short description – Maximum length of 2,400 characters
- Accurate brand names
- Accurate model numbers (required for the majority of item classes)
- Accurate shipping dimensions and weights
- Proper categorization - Items that are not properly categorized will be banned and removed from the site.

Certain attributes are optional, although including as many attributes as possible will make it easier for Members to find and purchase your products.

- Item condition – Valid values vary according to item class.
- UPCs are strongly encouraged and may be required in certain categories.

3.1.2 CONTENT GUIDELINES

Sellers are required to provide accurate and high-quality content for each item that is built. Reminders when creating content:

- Any prohibited items will be removed without warning. A list of prohibited items can be found in our Knowledge Base: <https://marketplace.sears.com/question/prohibited-merchandise/>
- An item that includes content which may be considered adult, suggestive or contain nudity requires a mature content designation.
- Images must be original and meet a minimum set of requirements as specified in the Knowledge Base: <https://marketplace.sears.com/seller-support/item-creation-step-4/>
- Images must match descriptions of items

3.1.3 SELECTION AND PRICE PARITY

Seller is responsible for setting its own prices on Sears Marketplace subject to the guidelines below and compliance with all applicable laws regarding price setting and advertising. As stated in the Sears Marketplace Terms and Conditions, Seller will maintain at least price parity between its Merchandise offered for sale on Sears Marketplace and the same Merchandise offered through Seller's other sales channel(s), including Seller's own website(s) or any third-party marketplace(s). In other words, Seller will not offer the same Merchandise elsewhere for a lower price than Seller offers on the Sears Marketplace, and the price Seller offers on the Sears Marketplace will meet or beat prices Seller offers elsewhere. Additionally, Seller must specify a price for an item on Sears Websites (including shipping cost, if any) that is at least as favorable as Seller offers for sale elsewhere. In other words, Seller may choose to offer a lower price, but its price must be at least as low as Seller's price as Seller offers elsewhere.

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Price gouging (inflated standard and/or sale price) and/or misleading use of Strikethrough Pricing will not be tolerated. Such actions may include, but are not limited to:

- Raising a price to extreme levels that would not be considered reasonable to unfairly take advantage of inventory shortages in the market or disasters;
- Providing a standard price on a product that is not a bona fide price and misleads consumers;
- Offering multiple units (count or measure) of a product for more per unit than that of a single unit of the same or similar product;
- Providing a shipping fee that is excessive (including inflating current public carrier rates and/or unreasonable package and handling charges) and/or not clearly disclosed prior to purchase; or
- Listing a regular price that was not previously offered on item or is not available elsewhere in order to demonstrate a greater strikethrough price comparison.

Failure to comply with these policies may result in items being delisted and/or loss of selling privileges, as determined by TSHM in its sole discretion.

3.2 INVENTORY MANAGEMENT

Sears requires Sellers to be in possession of the inventory quantities listed for sale and provide updates as necessary to accurately reflect the quantities of items available to fulfill orders to Members. Sears Marketplace does not support backorders or substitutions, so you must update inventory in a timely manner for all “out-of-stock” and “discontinued” items. Any order item cancelled due to “out-of-stock” or “discontinued” reasons will result in that item’s inventory set to zero. Such cancellations reflect negatively in Seller’s Performance Metrics.

Note that inventory that is not updated at least every 90 days will become “expired” and will be removed from the site.

3.3 ORDER MANAGEMENT – SELL ON SEARS (FBM)

This section focuses on the Sell on Sears (Fulfilled by Merchant) program in which the Seller manages the fulfillment processes. In addition to the expectations listed in [Seller Performance](#) section, this section outlines processes and expectations related to order management.

3.3.1 MEMBER COMMUNICATION

MEMBER-INITIATED COMMUNICATION

Members may request [cancellations](#) and [returns](#) from their Order Center. These requests will appear in the individual order details screen. Additionally, there are two ways a Member may communicate with a Seller: direct communication and via the Message Center.

A Seller’s storefront contains the Seller’s customer service phone number, email, and business address. A Member may directly contact the Seller’s customer service via these options.

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The second and option is for the member to contact the Seller via the Message Center. This option is the preferred method since communications via the Message Center are stored and viewable by Sears for the purposes of understanding and evaluating the Seller/Member interaction. Additionally, messages created in the Message Center are viewable by our Member Services Organization (MSO) agents when a Member contacts Sears for customer service assistance with an item or order. This helps our MSO agents understand what actions the Seller has taken to date to address Member concerns and will be used to help resolve any dispute that may arise.

The message center works as follows:

- Within a Member's online order dashboard, a link to "Contact Marketplace Seller" is provided to allow the Member to contact the Seller via the Message Center.
- Messages created in the Message Center will be emailed to the Seller's customer service email address and will also appear in the Seller Portal's Order Management Message Center.
- A Seller may respond to the Member either by directly replying to the email or by logging into the Seller Portal and replying via the Message Center.
- Hyperlinks are stripped from communications.
- Attachments may be sent and received, but a maximum of three files or 5MB can be attached per message. Supported attachment formats are JPEG, JPG, PNG, and PDF.

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SELLER-INITIATED COMMUNICATION

An encrypted email address unique to each order is created when the order is placed. Multiple orders from the same Member will have multiple encrypted email addresses. When a Seller needs to initiate communication with a Member directly, the Seller must use the encrypted email address provided in the purchase order details. This allows MSO agents to see the communication history and consider it when taking action to resolve Member concerns. As with Member-Initiated Communication, the following limitations apply:

- Hyperlinks are stripped from communications.
- Attachments may be sent and received, but a maximum of three files or 5MB can be attached per message. Supported attachment formats are JPEG, JPG, PNG, and PDF.

NOTE: Sellers are prohibited from sending marketing emails to Members.

3.3.2 NON-SHIPPING DAY MANAGEMENT

Sears expects Sellers to ship on every business day of the year other than the days listed below:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas

If a Seller is not able to ship on any other day for any reason such as vacations, facility closures and carrier stoppages on other holidays, a Seller must enter these non-shipping dates in their Seller profile on the Seller Portal. The will adjust the ship-by date and the order prep time will be extended to allow the Seller to prepare and complete shipments. For instructions on how to manage this list please visit our [Knowledge Article](#).

3.3.3 CANCELLATIONS

Sellers should only cancel an order when a Member requests cancellation. Members may request cancellation via the online order dashboard, send a direct email to the Seller's customer service email, or call the Seller's customer service phone number. When a Member uses the self-service cancellation link within the online order dashboard, an email notification will be sent to the customer service email address provided in the Seller Portal.

When a Member requests cancellation, Sellers must make commercially reasonable efforts to cancel the order and confirm the cancellation to the Member. If an order cannot be cancelled, the Seller must acknowledge Member's request, explain that the order cannot be cancelled and provide shipping information confirming the order shipped.

For all non-Member initiated cancellations, Sellers should cancel the order in the Seller Portal using the cancellation reason code that most accurately matches why the order is being cancelled. It is important to note that Sellers must maintain a Total Cancellation Rate of less than 3.5% of all orders. Please see the [Seller Performance](#) section for more information regarding expectations.

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3.3.4 SHIPPING

SHIPPING RATES

Shipping rates are defined by Seller within the Seller Portal. Sellers may set their shipping rates based on any of the following:

- Sears default rates
- Order weight
- Order amount
- According to the specific item

Free shipping may be specified at the item level or by using the Deals and Promo tool.

If shipping rates are set to greater than \$0 (free shipping), Sears will collect the appropriate shipping charges configured at the time of order submission and remit them to the Seller when paying the corresponding invoice.

SHIPPING ADDRESS CHANGES

Packages should not be rerouted after the order has been placed. If a Seller reroutes a package for any reason, any fraudulent activity that occurs is the liability of the Seller.

CARRIERS AND TRACKING IDS

- Each purchase order will specify the shipping method the Member has chosen. Sellers must ship using a method that provides a service level at least as favorable as timely as the method specified from a shipping carrier that provides tracking services. Sears has provided a comprehensive [list of carriers](#) and service levels.
- High valued Merchandise should be shipped with a service that requires a signature to validate receipt of the package. Regardless of the value, sellers will be required to prove that the product has been delivered to the Member if the Member claims they did not receive the delivery.
- Advance Ship Notifications (aka ASNs or Shipping Confirmations) should be submitted the same day the order actually ships. Sellers should not submit a shipment notification for any order that has not yet shipped. Confirming order shipments prior to date/time an order actually ships is considered fraud and may result in a loss of selling privileges.
- When creating ASNs, Sellers should provide the carrier and valid tracking number used for shipment. Tracking IDs are validated and ASNs sent through the APIs will be rejected if the tracking ID does not pass validation. If the ASN is not corrected and resent, the order will be considered an unfulfilled backorder. It will be auto-cancelled and payment will not be made. [See our Knowledge Article](#) for more information.

MINIMUM PACKAGING REQUIREMENTS

Sellers must ship all orders using new packaging materials that will protect the merchandise from damage. Sellers are responsible for damages that are reported by Members and must pay for return shipping for damaged items returned by Members.

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DAMAGED, LOST OR STOLEN PACKAGES

Sellers must resolve all delivery issues with Members for FBM orders if:

- Shipment is lost by the carrier
- Shipment is miss-delivered
- Shipment is marked as delivered by carrier but reported as not received by the Member
- Shipment is damaged in transit

Acceptable resolution may include partial or full refund, shipping replacement merchandise to the Member and/or arranging for and paying for pickup or return of a damaged item as agreed to by the Member. Timely communication is required and failure to fully resolve the Member's issue within 10 days of the initial inquiry may result in a Marketplace Guarantee Claim and the Member being refunded without the product being returned.

Sears expects Sellers to use signature required tracking on packages of high valued Merchandise. If a Member contacts the MSO with a delivery claim and no signed proof of Member delivery is available, Sears will refund the Member per the Marketplace Guarantee and debit the Seller. Additionally, credit card chargebacks related to missing packages will be charged to the Seller unless a signed proof of delivery to the Member is available. See section 3.6.1 for more information.

PACKING SLIP

The packing slip is a document that describes the contents of a package that is shipped by the Seller to a Member. Packing slips may be generated by the Seller or through the Seller Portal.

All packing slips MUST contain the following:

- Business Name – as displayed on the Sears Websites
- Date of PO provided by Sears
- Carrier and Tracking information
- Shipping Address
- Accurate purchase price and quantity as reflected on the PO
- Contact for member inquires (both email and phone)
- Seller's Return Policy which must conform to [return policy requirements](#)
- Instruction to the Member regarding return process, including return address

Packing slips must contain the following wording, "This item cannot be returned or exchanged at Sears or Kmart stores."

3.3.5 ADDITIONAL DELIVERY SERVICES AND INSTALLATION

If Seller provides additional shipping services, such as delivery within the home or premises and/or installation services, or arranges such services through a third party, Seller shall be obligated to:

- Ensure such delivery and/or installation is performed in accordance with any applicable product instructions, user manuals, and/or manufacturer specifications provided with the Merchandise;
- Maintain certifications, licenses, and other authorizations required by applicable laws or regulations, and provide evidence of such credentials to Sears upon request;

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- Use customer personal data made available to Seller solely for the purpose of communicating with purchasers in order to coordinate a delivery and/or installation appointment and ensure that any third-party software Seller uses in rendering such services similarly protects customer personal data;
- Not in any way represent, through the Merchandise Listing or otherwise, that Seller is acting on behalf of Sears or that Sears has arranged or is responsible for the delivery/installation of the Merchandise;
- Obtain any and all local building, inspection, and user permits, or similar required documents for the delivery/installation; and
- Comply with all governmental guidelines, including federal, state and local guidance, for safely performing in-home delivery and installation services.

Background Check and Drug Testing Requirements. Additionally, Seller shall ensure that any Seller Personnel or Seller Subcontractors entering customer premises to perform delivery and installation services shall have passed a criminal background check. At a minimum, the criminal background check process will consist of the following: a search conducted by a qualified background check service provider, which includes a review of criminal court records of all counties of residence based on the individual's past seven (7) years of residential addresses. Seller may not assign personnel or subcontractors with job-relevant adverse information, or information that indicates an unreasonable risk to property, safety or the welfare of individuals or the public to enter the residence or premises of a Customer. Seller shall also ensure that it or its subcontractor comply with any drug testing requirements as required by applicable law. At Sears' request, Seller shall submit reliable evidence of Seller's compliance with these background check and drug testing requirements.

3.3.6 PRODUCT REVIEWS

Sellers may ask Members for reviews who purchased their Merchandise. However, Sellers may not ask Members to change or remove their review, even after an issue is resolved.

The following is behavior relating to reviews is strictly prohibited:

- Any attempt to manipulate content or wording of a product review
- Encouraging false, misleading, or inauthentic reviews
- Posting reviews of your own product or competitors' products
- Requesting individuals to create product reviews for items that were not purchased
- Requesting friends, family, or employees to write reviews
- Offering financial rewards, discounts, or compensation for providing or changing a review
- Offering discounted or free products in exchange for reviews

3.4 REFUNDS AND RETURNS

Seller must provide refunds as defined in compliance to [Seller return policy](#) terms and conditions.

Sellers must accept returns, process refunds and refund full amounts (including any shipping paid) in the following situations:

- Item is damaged upon arrival to the customer
- Item is defective
- Incorrect item was shipped (including size, color and/or some other variation)

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For the situations listed above, no partial refunds may be processed, no restocking fees may be charged and no return shipping fees may be charged to the Member.

For all returns, Seller must provide the Member a return address within the 48-contiguous United States, or allow the Member to discard/dispose of the item if the Member so agrees to do so.

Member returns for Merchandise purchased are facilitated through the following methods:

- 1) The Member may submit a return request to the Seller via the online order center. For more information on the process including how to view and acknowledge Member return requests the Seller Portal or API, see our [Knowledge Article](#).
 - a. Note: Return requests are sent from sears@order.sears.com and must be responded within 2 business days by uploading the PDF return authorization in the Seller Portal. Failure to provide a return authorization may result in the issuance of a full refund to the member under our Marketplace Guarantee (with or without return of the purchased product) or the return authorization being created on your behalf with the product sent back to the return address in your account profile, at the discretion of Sears.
- 2) The Member may email the customer service email address listed on the customer service information, which is displayed on the Seller storefront.
- 3) The Member may create a message to Seller via the online order center. An email message is sent to the customer service email address provided on the customer service information page.
- 4) The Member may follow the return instructions that were provided on the packing slip.

Additionally, if the Seller provides a return policy that is more favorable to the Member than the Sears policy, the policy may provide instructions on the customer service information page of the Seller account settings, which is completed during account setup. Note that if the return policy is not completed, the Sears policy must be adhered to.

Sellers must process all refunds in the Seller Portal no later than the first business day following the Member's request or within 2 business days of receiving returned Merchandise. Accurate return reason codes must be used when processing the return. After the Seller processes a return, Sears will refund the monies paid by the Member for the Merchandise.

3.5 RECEIVING PAYMENTS

Sellers are paid within 15 days after the invoice has been issued. Note that invoices are generated based on the date when the last item on an order is marked shipped. Sellers may view Remittance Info in the Seller Portal in Seller Tools, Reports.

Sellers are paid via EFT to the bank account on record. To update your EFT bank account, update the Seller Portal and send a "Financial EDI Authorization Electronic Funds Transfer Application" form to the accounts payable department. Information is available in the [Seller Portal](#). See [section 5.1.1 Electronic Funds Transfer Application](#).

For questions regarding your payments, reach out to APhelp@transformco.com.

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3.6 SELLER DEBITS

3.6.1 CHARGEBACKS (CUSTOMER CREDIT CARD CLAIMS)

A customer credit card claim (“chargeback”) occurs when a cardholder contacts their bank for an order placed on Sears.com and disputes the charge for various reasons such as merchandise not received, incorrect item received or merchandise received with damage. As outlined in the Sears Marketplace Terms and Conditions, Sellers may be held responsible for chargebacks filed against orders that were fulfilled by the Seller in cases where the Seller did not comply with all relevant policies and procedures.

When a Member contacts their credit card company to contest a charge, the credit card company will contact Sears to request details about the transaction. Sears will contact Seller via email to request transaction information. Sellers must respond to any and all chargeback inquiries or claims correspondence within five (5) business days of the email date. If a Seller does not respond in a timely manner with adequate evidence of compliance, Sears may debit the Seller’s account for the transaction amount. Adequate evidence includes a proof of delivery showing the Member’s signature confirming receipt in addition to the ship to address, city, state and zip and tracking ID.

To prevent chargeback claims, follow the guidelines outlined in section 3.3.4:

- Ship only to the shipping address provided by Sears.
- Always ship with a carrier that provides a unique valid tracking number.
- Use delivery confirmation (signature required) for high value merchandise.
- Keep a record of the date the order was shipped, the shipping method used, and any available tracking information for at least 6 months after the order date.

3.6.2 OTHER PAYMENT OFFSETS

Other debits offsetting payments may include charges for Returns Goods Invoices (RGIs), Monthly Program Fees and other adjustments made by the MSO. The Remittance Info report will provide additional information regarding these debits. For more information, please see our Knowledge Base:

<https://marketplace.sears.com/seller-support/payments-reconciliation/>

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4 SELLER BUSINESS INFORMATION AND ACCOUNT SETTINGS

All Sellers are required to provide their business information including primary contact information, billing and payment information, customer service information, primary fulfillment location and return address. This information is used to qualify a Seller's business to sell on the Sears Marketplace and must be kept current and accurate at all times. Providing false or inaccurate information will result in loss of selling privileges.

4.1 PRIMARY USER ACCOUNT

The user profile that is used to complete the initial Sears Marketplace account registration is considered the "primary user" and is the only user that may update account, business, billing and other information via the Seller Portal.

4.2 SECONDARY USER ACCOUNTS

The primary user may provide access to other accounts that will be able to access all functions except update the [account settings](#). Secondary user accounts may also be setup to receive [email notifications and alerts](#).

4.3 CUSTOMER SERVICE INFORMATION

The customer service information provided in the Seller [account settings](#) including the business description, customer service phone number, return address and return policy will be displayed on the Seller storefront. Failure to maintain current customer service phone number and customer service email address may result in the loss of your selling privileges.

4.4 FULFILLMENT LOCATIONS

Shipments must originate from within the United States. While you may ship from multiple fulfillment locations within the United States, you must designate one fulfillment location in [Seller Portal](#) as the primary location for FBM program. Please provide your most central location.

4.5 RETURN POLICY

As per the agreed terms of the Sears Marketplace Agreement, you agree to have a return policy that will be as good as or better than what is being offered for our Sold by Sears merchandise. Failure to maintain a return policy that is as good as or better than the Sold by Sears policy, may result in the loss of your selling privileges. Seller Return policies should be entered in the account settings, [customer service information page](#).

What does this mean?

If you sell shoes and Sears' policy for shoes is a 30 day return policy, you must allow a customer 30 days or more to return the shoes. For most items, customers should have 30 days from the date of their original purchase to make a return with some exceptions. Please visit our [Sears Return Policy page](#) for more information.

Restocking fees may only be charged in certain situations and categories. No restocking fee may be greater than 15%. Please visit our [Sears Return Policy page](#) for more information and search for the term "restocking fee" for examples.

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4.6 SALES TAX SETUP

Sears Marketplace will charge, collect, and remit applicable state and local sales and use taxes for all orders shipped to customers when required by law. See the [Sales and Use Tax Policy Knowledge Article](#) for the latest information regarding which jurisdictions require Sears to do so.

In addition, Sellers must select the additional, applicable jurisdiction(s) in their business account profile in the Seller Portal. Sears will collect applicable taxes from the online purchaser on the Seller's behalf and will pay the amount collected to the Seller. Sellers are solely responsible for remitting the tax to the applicable taxing jurisdiction, except in states where Sears, as the marketplace platform provider, is either required by law or elects to remit taxes directly to the state on behalf of Seller (as mentioned above).

5 BUSINESS STANDARDS

This section provides information on Sears Legal and Product Liability Insurance requirements.

5.1 LEGAL

This section outlines the legal requirements and obligations Sellers must meet in order to conduct business with Sears. The requirements in this Guide apply in addition to the Program Terms and Conditions of any Sears Marketplace Agreement Seller agrees to when enrolling in Sears Marketplace, our Privacy Policy, and our Site Terms and Conditions, and are not intended to supersede any of these Agreements. Sears may update the requirements and obligations in this Guide from time to time. Sellers are required to review the Guide regularly in order to ensure compliance with any updated terms.

5.1.1 SELLER AGREEMENTS & CERTIFICATIONS

All new Sellers must complete, sign and return all applicable agreements and certifications required by Sears, or as required by law, including a Certificate of Insurance Ownership Verification Form, and an Electronic Funds Transfer ("EFT") Application.

The terms and conditions of the various Sears Marketplace agreements require that all products sold by Seller to customers through Sears Marketplace be produced, packaged, tagged, labeled, packed, shipped and invoiced in compliance with all applicable requirements of federal, state and local laws, acts, regulations, ordinances and administrative orders and rules of the United States, and its territories and all countries, to the extent applicable, where the products sold by Seller are produced. These include but are not limited to:

- Fair Labor Standards Act
- Consumer Product Safety Improvement Act ("CPSIA")
 - Requires all Children's products must comply with CPSC tracking label requirements, as well as requirements related to Phthalate and Lead Restrictions and Other Restricted Substances.
- Textile Fiber Products Identification Act
- Wool Products Labeling Act
- Fur Products Labeling Act
- Flammable Fabrics Act
- FTC Care Labeling Rule
- Federal Food, Drug and Cosmetic Act

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- Federal Hazardous Substances Act
- Federal Insecticide, Fungicide and Rodenticide Act
- Hazardous Materials Shipping Regulations
- OSHA Hazard Communications Regulation
- Magnuson-Moss Warranty Act
 - Requires submission of the on-line Product Warranty Information Form (see “Magnuson-Moss Warranty Act” included in this section).
- Kimberley Process Certification Scheme
 - Requires inclusion of a code in each EDI 810 Invoice that affirms compliance (see “Kimberley Process Certification Scheme” included in this section).
- California Air Resource Board Standards for Composite Wood Products
- Any FTC Rules or Guidelines, currently available at <http://business.ftc.gov/>, that apply to Merchandise categories sold through the Sears Marketplace. Seller is responsible for complying with FTC Rules or Guidelines, and must update their practices to ensure compliance as any changes are made to existing Rules or Guidelines, or new Rules or Guidelines introduced by the FTC.

Certifications survive the cancellation or termination of the terms and conditions of any Sears Marketplace agreements that Seller has entered into. This section is intended to be in addition to, and not supersede or replace, any terms and conditions of any Sears Marketplace agreement, specifications or other documentation posted and made available to Seller in the Seller Portal.

Restricted Items

Unless otherwise expressly permitted in writing by Sears, Seller shall not promote, offer for sale, or provide Sears Marketplace with Merchandise Listings that contain any of the following items or categories:

- Knives. States, municipalities, and other jurisdictions have different laws related to the sales of knives or bladed items. Seller is responsible for ensuring all sales comply with applicable law.
- Pornography in any form of media;
- Alcoholic beverages, cigars, cigarettes or tobacco products;
- Live animals or taxidermy;
- Tomb artifacts or grave-related items;
- Automobiles, motorcycles, or scooters requiring registration;
- Charity fundraising activities;
- Used cosmetics;
- Credit or debit cards;
- Gift cards;
- Hazardous materials, or Hazmat designated items;
- Illegal and/or prescription drugs, illegal drug paraphernalia, or materials
- Describing how to make illegal drugs;
- Embargoed goods from prohibited countries currently listed by the U.S. Office of Foreign Assets Control;
- Event tickets;
- Firearms and weapons (including but not limited to certain knives, crossbows, guns, gun parts,
- Gun kits, ammunition, mace, pepper spray, black powder, and explosives);
- Government issued uniforms, government documents, government
- Identifications, and government licenses;

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- Human parts and human remains;
- Surveillance equipment (including but not limited to lock picking devices,
- Wiretapping devices, telephone bugging devices);
- Lottery tickets;
- Mailing lists and personal consumer information;
- Manufacturer's coupons;
- Medical devices regulated by any state or federal agency or authority;
- pesticides;
- firewood or lumber (not including artificial or manufactured firelogs);
- postage meters or stamps;
- real estate;
- stocks and other securities;
- travel; and
- illegal products, illegal services, stolen or recalled products.

ELECTRONIC FUNDS TRANSFER ("EFT") APPLICATION

All Sellers must complete, sign and return all pages of the Electronic Funds Transfer ("EFT") Application. The electronic Funds Transfer Application form is located in [the Seller Portal](#). Upon completion of the form it must be sent to the fax number/email address on the form.

Once the form is completed and all identifying information is confirmed, testing will occur before customer order-related funds will be deposited. Upon completion of testing, the EFT account will be placed into production, and all funds will be deposited in that account until a EFT change form has been completed or until we receive a 'funds rejected or account closed' notification from your bank or financial institution.

If you have any questions about these documents or the Electronic Trade Payments program, please contact Accounts Payable via email to A/PEFT@transformco.com.

5.1.2 FAIR LABOR STANDARDS ACT

All Sellers must comply with this Act.

- Whenever any product is sold by Seller to Customer through the Sears Website that is subject to the Fair Labor Standards Act (the "Act"), Seller must be in strict compliance with the Act.

5.1.3 SEARS PVC POLICY

Studies suggest that the manufacture, use and disposal of Polyvinyl Chloride ("PVC") is directly or indirectly linked to both environmental and health concerns. Sears is working to reduce and phase out PVC in its packaging and merchandise.

In December 2007, Sears adopted a policy calling for the reduction and elimination of polyvinyl chloride ("PVC") in products that are offered for sale and the packaging for those products to customers through Sears stores and the Sears Website.

As such, Sears will:

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- Encourage Sellers to reduce or eliminate their use of PVC in merchandise and packaging;
- Encourage Sellers to utilize the Society of the Plastics Industry labeling system on packaging;
- Encourage Sellers to label their merchandise as PVC-free when true.

As you work towards the goal of reducing and eliminating PVC in products and packaging, please keep Sears updated on your progress via email to sustainability@transformco.com. It is important that we are notified of any reduction or elimination of PVC. Similarly, we require that you notify us if you begin using PVC in packaging or products that do not contain PVC today. If you should have any questions or concerns regarding this policy or our sustainability efforts, please contact us at sustainability@transformco.com.

5.1.4 MAGNUSON-MOSS WARRANTY ACT

Federal law, administered by the Federal Trade Commission (FTC) requires that all Sellers make written product warranties, where they exist, available for customers to review prior to sale. Failure to comply with the requirements of the Magnuson-Moss Warranty Act and other FTC Warranty Rules could result in substantial penalties. These requirements apply to all manufacturers' written warranties on products sold for \$15.00 or more. Each catalog listing should include the URL of the warranty as part of the provided content in the warranty appropriate fields.

5.1.5 KIMBERLEY PROCESS CERTIFICATION SCHEME

All Sellers that sell diamonds through the Sears Website must comply with the following requirement, in addition to any FTC Guidelines related to jewelry as discussed in Section 5.1.5:

- Seller shall include a code in each EDI 810 Invoice to affirm compliance to the Kimberley Process Certification Scheme ("KPCS") which provides the following warranty:

"The diamonds herein have been purchased from legitimate sources not involved in funding conflict and in compliance with United Nations resolutions. The Seller hereby guarantees that these diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of these diamonds."

5.1.6 SAFETY, HEALTH & QUALITY PRODUCT RECALLS

Sears treats all safety, health and quality related product recalls very seriously. For this reason, you must adhere to the following requirements so that Sears may properly execute all applicable recalls.

- In the event that Sears must participate in a safety, health or quality related product recall, immediately notify Sears' Food Safety Department or Product Safety Office, based on product category as listed below:
 - Food Safety Department - all over-the-counter drugs and all food items, including pet food.
 - Product Safety Office - all other product categories including hazardous materials.
- Email or fax (email preferred) a completed Product Recall Form and a copy of the actual recall notice to Sears' Food Safety Department or Product Safety Office (based on product category).

Sears Contact	Email	Fax
Food Safety Department	foodsafety@transformco.com	847-286-9370
Product Safety Office	productsafety@transformco.com	847-286-0266

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- All product recall communication must be directed to the contacts listed above to ensure the efficient execution and adherence to the product recall procedures.

Note: Recalls of Hazardous Materials will be returned to Seller directly from Sears facilities in accordance with DOT and/or FAA regulations. All recalls (both hazardous and non-hazardous materials) Sears facilities in Alaska, Guam, Hawaii, Puerto Rico, and the Virgin Islands will be returned directly from these locations in accordance with DOT and FAA regulations.

5.1.7 PRODUCT RECALL INITIATIVE FOR QUALITY STOP SALES AND RECALLS, SAFETY STOP SALES AND RECALLS, AND INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS

Sears' Product Recall Initiative is the program by which Sears will recoup those costs incurred by Sears in connection with quality stop sales and recalls, safety stop sales and recalls, whether initiated by a governmental agency or the Seller, and intellectual property infringement claims. (For purposes of this section of the Guide, quality stop sales and recalls, safety stop sales and recalls, and intellectual property infringement claims will collectively be referred to as the "recall" or "recalls".) The recalls covered by these provisions include all Merchandise sold through the Sears Websites. Sellers will be responsible for all recall costs, including all costs incurred by Sears associated with the recall.

5.1.8 CONFIDENTIALITY

Proprietary information, including Sears' customer lists and other customer data is the sole property of Sears.

- The terms and conditions of all agreements between Seller and Sears, including all guidelines and procedures established by Sears related to Marketplace sales shall also be considered confidential.
- Seller may not disclose any proprietary information, except information related to Seller performance, to any other third-party.
- At Sears' request Seller must return all materials containing Sears' proprietary information in its possession.

This section is intended to be in addition to, and not supersede or replace, any terms and conditions of any Sears Marketplace agreement Seller has entered into with Sears, or any related documentation or specification posted by Sears in the Seller Portal.

5.1.9 BANNED/RESTRICTED COUNTRIES & PARTIES

Seller is prohibited from offering for sale to customers on the Sears Websites any products made in any of the countries from which the U.S. government prohibits imports. In addition, the U.S. government prohibits transactions with any person or entity appearing on the List of Blocked Persons, Specially Designated Nationals ("SDN"), or included in a Presidential Order.

The U.S. government list of restricted countries and parties may change from time to time. The countries and parties from which the U.S. prohibits/restricts imports are identified on the Office of Foreign Assets Control website, currently located at <http://www.treas.gov/ofac>. Sellers are solely responsible for maintaining updated information.

5.1.10 ENVIRONMENTAL COMPLIANCE

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Sellers must comply with all applicable laws protecting the environment. In addition, Sears encourages its Sellers to conduct business so as to minimize the impact on the environment, including reducing waste and maximizing recycling initiatives.

5.2 INSURANCE

Every Seller selling merchandise to customers through the Sears Website is required to maintain and provide proof of Product Liability insurance (generally part of a Commercial General Liability insurance policy) at Sears' request. If you provide re-labeled or re-packaged goods, you must provide evidence of your own insurance coverage.

5.2.1 PRODUCT LIABILITY INSURANCE LIMITS

For product liability insurance limits, please see the *Sears Marketplace Vendor Information Guide Addendum Product Liability Insurance Limits* at following website: <https://marketplace.sears.com/wp-content/uploads/MPVIGAddendum.pdf>

5.2.2 COVERAGE REQUIRED FOR SPECIFIED PRODUCT LINES

See appropriate guidelines in Section 5.2.1 above to determine the limit of liability required on a per occurrence basis, and the aggregate limit of liability for specified product lines. You may satisfy this requirement with any combination of primary and excess/umbrella liability policies.

5.2.3 COVERAGE REQUIRED FOR ALL OTHER PRODUCTS

Provide product liability insurance on an occurrence basis with combined single limits for bodily injury and property damage of at least five-hundred thousand dollars (\$500,000.00) per occurrence.

5.2.4 INSURANCE COVERAGE FOR SELLERS PROVIDING HOME DELIVERY AND INSTALLATION SERVICES

Seller must maintain Commercial General Liability insurance coverage of at least one million dollars (\$1,000,000.00) per incident.

Seller must maintain Worker's Compensation insurance coverage of at least one-hundred thousand dollars (\$100,000.00) per disease, at least five-hundred thousand dollars (\$500,000.00) aggregate for disease, and at least one-hundred thousand dollars (\$100,000.00) per accident. If a state where delivery or installation services will be performed does not require Seller/installer carry Worker's Compensation Insurance, Seller must provide a waiver to any applicable individuals.

Seller must maintain Automobile Liability Insurance on any vehicles used in delivery and installation services of at least one-hundred thousand dollars (\$100,000.00) per incident for property damage and bodily injury combined.

5.2.5 PROOF OF INSURANCE

Seller must provide evidence of insurance coverage to Sears at the time of Seller's execution of any Sears Marketplace agreement, and each year prior to the expiration of Seller's policy. Proof of insurance must include:

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- A Broad Form Vendor’s Endorsement naming “Transform SR Holding Management LLC and its subsidiaries and affiliates” as additional insureds. Use the additional insured vendor endorsement ISO Form CG 20 15 11 88 or its equivalent.
- The following policy language: “This coverage shall be primary to, and non-contributory with, any and all valid and collectible insurance or program of self-insurance of Transform SR Holding Management LLC or its subsidiaries or affiliates”.
- The Certificate Holder must state:
Transform SR Holding Management LLC
3333 Beverly Road
Hoffman Estates, IL 60179

Seller must use an insurance company that has a rating of at least A-VII as published in the current edition of A.M. Best’s Insurance Reports.

If Seller’s policy contains any coverage exclusions that limit product liability coverage, a copy of the coverage exclusions must be attached to Seller’s proof of insurance.

Seller’s policy must provide that coverage will not be terminated without at least thirty (30) days prior written notice to Sears.

Seller must specify the products that it sells on the Sears Website on the proof of insurance submitted.

New Sellers must submit their insurance certificates to:

Transform SR Holding Management LLC
Vendor Support, B4-130A
3333 Beverly Road
Hoffman Estates, IL 60179

Existing Sellers must submit their updated/corrected insurance certificate to:

Transform SR Holding Management LLC
Vendor Support, B4-132A
3333 Beverly Road
Hoffman Estates, IL 60179

5.2.6 SELF-INSURANCE

In some cases, Sears will allow certain levels of self-insurance provided certain conditions are met. The Sears Risk Management Department will review the risk potential of the product line(s), as well as your financial position and claims handling record.

For approval of self-insurance, you must provide:

- An amendment to the appropriate purchase contract that documents the terms and conditions of the self-insurance agreement.
- Your current annual report or audited financial report.
- Your current 10K report if applicable.
- Requested background information from the Seller Portal administrator.

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APPENDIX

ACRONYMS AND TERMS

Acronym/Term	Definition
ASN	Advanced Ship Notice - common term used in reference to the EDI 856 Ship Notice/Manifest transaction. Also used for API XML Advance Ship Notice.
EFT	Electronic Funds Transfer - transfer of funds from a payer's bank to a payee's bank via electronic communication
PID	Product ID – unique product ID assigned for Sears products
PO	Purchase Order - transaction delivered to the vendor containing information about the item(s) purchased and the customer
RGI	Return Goods Invoice - debit advice used for merchandise returns to vendor
RMA/RA	Returned Merchandise Authorization/Return Authorization - number assigned to a product return transaction. Used as the document reference number in the Credit/Debit Advice transaction.
TSHM	Transform SR Holding Management LLC - manages the general and administrative duties of Transform Holdings
SOPT	Source Order Processing Time or "Order Prep Time" - number of days a vendor requires to process a purchase order from order receipt to ship date
UPC	Universal Product Code – unique numeric code used for product identification
VIG	Sears Marketplace Vendor Information Guide - primary source of information on Transform SR Holding Management LLC ("TSHM") and its affiliates' requirements for all Marketplace sellers.