



Appendix 2 - Claims and Returns Policy

TH Toys, Inc. takes its product quality very seriously and takes the utmost care in its Logistic & Distribution services to ensure that each customer receives its correct order in an optimal condition.

TH Toys, Inc. will consider claims for matters which are under its area of control and responsibility, such as concealed damages and concealed shortages. Possible returns for overages, substitutions, and order errors will be handled on a case by case basis. Claims for damages or shortages must be filed with TH Toys, Inc. within thirty (30) days of receipt. Claims attempted after that time will not be processed.

This document is a reference for defining the various types of claims and outlining the necessary steps for TH Toys, Inc. to consider an applicable claim. All requested details must be provided, and all timelines must be upheld for a claim to be considered.

Please note: TH Toys, Inc. reserves the rights to change their policies at any given time.

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A. Glossary of key terms

The following key terms and policies apply throughout this document. All key policies must be followed in full to relevant claims to be considered.

GROUND SHIPMENTS

Individual cartons delivered by a small parcel/ground carrier
Small orders generally weigh under 200 lbs.

FREIGHT - LESS THAN TRUCKLOAD SHIPMENTS (LTL)

LTL trailers may contain 1-10 shrink wrapped pallets of products (weight usually does not exceed 5,000 lbs.)

VISIBLE SHORTAGE

Instance in which fewer products are delivered than invoiced. Shortage must be noted with the required delivery inspection.

VISIBLE DAMAGE

A carton damaged that is visible upon completion of delivery inspection. Damage must be noted with the carrier upon delivery. When inspecting for visible product damage, the following is a list of damage with possible causes:

- Punctured or torn cases (possible cause include forklift or truck damage)
- Crushed cases or crushed case corners.

CONCEALED SHORTAGES & DAMAGES

Individual cartons shortages and or damages that are not visible at the time of delivery and upon completion of a 360-degree inspection.

OVERAGE

Product that is shipped above the specifications on the TH Toys, Inc invoice or packing list.

SUBSTITUTION

Product that is erroneously shipped in place of an item on the original TH Toys, Inc invoice or packing list.

ORDER ERRORS

Discrepancy between the customer order and the TH Toys, Inc invoice and packing list.

REFUSAL

The customer decides to reject any product and leave them with the carrier.

RETURN

An authorized return of specified products from the customer to TH Toys, Inc. The return process must be followed, and a return authorization will be generated prior to goods transfer.

B. TH Toys, Inc Operations Claims Policy

The following issues are under TH Toys, Inc. sphere of control and all relevant claims should be submitted to TH Toys, Inc. Concealed shortage claims will only be considered for LTL shipments as shortages in ground shipments can be recognized upon receipt. The only exception to this is for damage to individual LEGO sets inside non-damaged cartons in the case of Ground Shipments.

C. Carrier Claims Policy

We urge all customers to thoroughly inspect for visible shortages or damage within each mode of transportation prior to signing off. Every customer has the right to perform an inspection within your allotted FREE Time (see Bill of Lading) and carrier driver may not pressure the customer to speed up your inspection within these time limits. Signing off on any order means that the customer acknowledges the presence of no visible damage or shortages. If you feel that you are not being treated correctly in this regard, note the name and ID of the driver and file a complaint with his/her carrier.

D. 360 Degree Inspection Policy

- An inspection that must be completed by the customer when receiving every order to identify visible damages and visible shortages.
- Customer must investigate the following and report any deficiencies:
 - Pallet manipulation (re-palletization of the product, re-wrapping of the pallet by the carrier, or a skewed pallet).
 - Torn or broken stretch wrap.
 - If the shrink wrap on the pallets(s) appears to have been manipulated, please note this on the proof of delivery. Any claims associated with manipulated shrink wrap need to be filed directly with the carrier.
 - Complete skid shortages
 - Visible product damage
- Any order with the above-mentioned deficiencies must be inspected to identify possible damages or deficiencies. The customer is required to check for possible shortages/damages and must:
 - Break down each pallet

- o Obtain an accurate case count and compare it with the Packing List
 - o Notate all shortages/damages on the proof of delivery with driver acknowledgement.
- If an inspection is completed and there are no apparent deficiencies, the order can be signed for in good order.

E. Refusal and Return Policy

The customer has the right to refuse product; however, due to the fact that possession of the goods has transferred to the customer at the point of origin, the refusal and any related claims must be handled between the customer and carrier. TH Toys, Inc. will not accept any refused goods from the carrier and will not compensate the customer or the carrier for any costs attributed to the product refusal.

All authorized returns due to concealed damages, overages, substitutions, and order errors will be handled on a case by case basis and require the customer to follow all processes and deadlines in order to be considered. The process is necessary in order for TH Toys, Inc to identify the cause of the problem and to remedy affected parties if applicable.

The customer must submit the necessary documentation within thirty (30) calendar days. Credits issued for returned products are subject to the receipt of all applicable products and can take up to twenty-one (21) days to process.

Please see the TH Toys, Inc. Claims and Returns Policy below (K).

F. Ground Shipments and Claims

- When receiving a ground shipment, all cartons must be counted and inspected by the customer upon delivery and must match the TH Toys, Inc. packing list prior to signing off on the shipments in the driver's handheld delivery system.
- Should the delivery not contain all products on the TH Toys, Inc. invoice, five to seven (5-7) business days should be allotted for the entire order to be delivered prior to reporting a shortage claim though TH Toys, Inc. Please ensure that the number of cartons delivered matches the number of cartons being signed for.
- Should products arrive in damaged condition, this must be notated on the carrier's handheld delivery system. Claims for visible damage will be immediately rejected if not notated in the carrier's handheld delivery system.
- No visible shortage or damage claims will be considered if the shipment was not signed for upon delivery, or if the shortage or damage was not notated in the carrier's handheld delivery system upon receipt of the order.
- A concealed damage claim will only be considered if the customer acknowledges that there were no deficiencies noted during the delivery inspection. Concealed shortage and damage claims will be handled on a case by case basis.

G. LTL Shipments and Claims

When receiving an LTL shipment, the customer must perform a 360-degree inspection. Please refer to the 360-degree inspection policy (referenced in D).

H. Overages and Substitutions

If overages or substitutions are received, TH Toys, Inc. must be contacted within forty-eight (48) hours so that the overages or substitutions can be verified internally and an official return authorization, if applicable, can be created. Individual LEGO sets cannot be removed from the original product carton.

Documentation required for Overage and Substitutions Claims:

- A completed Distribution Claim form with all necessary information must be submitted to TH Toys, Inc thirty (30) calendar days from the date the product was received. Any claim not submitted within this timeframe will be rejected automatically.
- TH Toys, Inc Invoices for the order.
- Complete list of over shipped or substituted product.

I. Order Errors

If the customer received product quantities that exceed the quantities listed on the customer's original purchase order or if the item numbers do not match those on the original purchase order, TH Toys, Inc. must authorize, if applicable, a resolution.

TH Toys, Inc. will not be responsible for customer clerical errors such as input errors submitted to TH Toys, Inc. online B2B portal.

Documentation required for an Order Error Claim:

- A completed Distribution Claim form with all necessary information must be submitted to TH Toys, Inc within thirty (30) calendar days from the date the product was received. Any claim not submitted within this timeframe will be rejected automatically.
- The TH Toys, Inc Packing List associated with your order.
- Copy of the original PO with the latest changes.

J. Defectives

Please be advised that TH Toys, Inc has a "NO RETURNS" policy for defective/missing pieces. The consumer should be contacting LEGO Consumer Services directly (1-800-835-4386) instead of returning the product to the retail store or TH Toys, Inc. in which it was purchased.

If the customer contacts LEGO Consumer Services directly, they will provide the consumer with the missing pieces or send a replacement product at no additional cost.

If you so choose to accept the return and refund the customer, you are doing so at your own discretion and TH Toys, Inc. will not credit your account or compensate you in any way.

K. TH Toys, Inc. documentation required for shortage or damage claims:

1. A complete Distribution Claim form (found below or can be obtained from TH Toys, Inc.) with all necessary information must be submitted to TH Toys, Inc. within thirty (30) days from the date the product was received. Any claim not submitted within this time frame will be rejected automatically.
2. A copy of the TH Toys, Inc. packing list associated with your order.

3. Photos of damaged product/packaging to our email at canada@toyhousellc.com. Claims should include seven photos as outlined below:

- 1) A photo of the outside of the damaged LEGO item(s).
- 2) A photo showing the damaged LEGO item(s), inside the case pack, with all of the original packaging including master shipping box (picture should show the placement of the merchandise and packaging inside the box).
- 3) A photo of the packaging material used inside the box (e.g. bubble wrap, Styrofoam peanuts, cardboard dividers, etc.).
- 4) A close-up photo of the shipping label with tracking number (please zoom in enough to read the tracking number, which usually begins with 1Z).
- 5) A photo showing the top and two sides of the master shipping box.
- 6) A photo showing the bottom and the opposite side of the master shipping box.
- 7) A photo of the box manufacturer's certificate (usually on the bottom of the box).

All seven photos are required to help determine the cause of damage or shortage. Please see photo below for labeled components.



If questions or concerns arise, please contact us via our email canada@toyhousellc.com or call us at (855) 574-4199.

To expedite the handling of your claim, please include the above-mentioned documents as your claim WILL NOT BE PROCESSED until properly supported. Retain all damaged goods until the claim is concluded.

TH Toys, Inc.
 (855) 574-4199
canada@toyhousellc.com



SHIPMENT LOSS & DAMAGE CLAIM

Claimant Name (Payable to):	Date Shipment Delivered:	Date Claim Prepared:
Street Address:	Order Number:	Claim Type: <input type="checkbox"/> Shortage <input type="checkbox"/> Damage
City, Province, Postal:	Contact Name:	Contact E-mail Address:
Remit to address (if different than above):		Contact Phone Number:

DETAILED STATEMENT SHOWING HOW THE AMOUNT OF CLAIM IS DETERMINED

Quantity	Part #/Description	Price Per Item	Extended Total
		Total Amount Claimed	

DOCUMENTS REQUIRED IN SUPPORT OF YOUR CLAIM

- Copy of packing slip
- 7 photos need to be emailed to canada@toyhousellc.com
 1. A photo of the outside of the damaged LEGO item(s).
 2. A photo showing the damaged LEGO item(s), inside the case pack, with all of the original packaging including master shipping box (picture should show the placement of the merchandise and packaging inside the box).
 3. A photo of the packaging material used inside the box (e.g. bubble wrap, Styrofoam peanuts, cardboard dividers, etc.).
 4. A close-up photo of the shipping label with tracking number (please zoom in enough to read the tracking number, which usually begins with 1Z).
 5. A photo showing the top and two sides of the master shipping box.
 6. A photo showing the bottom and the opposite side of the master shipping box.
 7. A photo of the box manufacturer's certificate (usually on the bottom of the box).

NOTE:

Submit all Claims to TH Toys, Inc. customer service at canada@toyhousellc.com
 To expedite the handling of your claim, please include the above-mentioned documents as your claim **WILL NOT BE PROCESSED** until properly supported. **Retain all damaged goods until the claim is concluded.**

All claims must be filed no more than 30 days from the date of delivery.

CLAIMS FILED AFTER THIS PERIOD WILL NOT BE ACCEPTED