

**SHIP AS DIRECTED - DO NOT DEVIATE
SHIPPERS ARE HELD RESPONSIBLE FOR FAILURE TO COMPLY**

**NEW YORK METROPOLITAN AREA ORDERS AND LOS ANGELES AREA ORDERS ROUTE F.O.B. CONSOLIDATOR
OTHER ORDERS ROUTE F.O.B. VENDOR'S U.S. SHIPPING DOCK**

TERMS OF PURCHASE AGREEMENT

1. Vendor shall sell and Citi Trends, Inc. ("Citi Trends") shall purchase such goods and merchandise ("Goods") as set forth in and pursuant to the terms and conditions on both sides of this purchase order (this "Order") and the Citi Trends Vendor Compliance Guide, the terms and requirements of which are incorporated into this Order by reference, and which may be modified from time to time by Citi Trends at its sole discretion and without notice (current versions will be posted at <http://www.cititrends.com/vendors>). This Order is not an acceptance of an offer to sell, but is an offer to purchase the Goods, and Citi Trends is not bound by this Order unless it is signed by Citi Trends' authorized representative and accepted by Vendor. All orders are void unless provided in writing on Citi Trends' printed forms. Acceptance by Vendor is expressly limited to acceptance of the terms and conditions set forth herein and no different or additional terms, except as otherwise expressly agreed to by Citi Trends in writing. Any terms and conditions proposed by Vendor in the Vendor's quotation, invitation, acceptance, acknowledgement, invoice, transmittal or any other document which are different from, conflict with, or add to the terms and conditions set forth herein shall be deemed to materially alter the terms and conditions set forth herein and are objected to and rejected by Citi Trends. Vendor may accept this Order in writing, by shipping Goods pursuant to or commencing performance under the terms of this Order, or by failing to reject this Order within five (5) days of Vendor's receipt hereof.
2. All payment due dates will comply with this Order and will be calculated from the date Vendor's invoice is received and approved by Citi Trends. Vendor's invoice shall contain Citi Trends Order number, a description of the Goods, quantities and unit prices. All discounts offered to Citi Trends will appear on the Vendor's invoice and shall be computed from the date the invoice is received by Citi Trends. Delays in receiving invoices and material errors and omissions on invoices shall give Citi Trends the right to withhold payment of the entire invoice amount without losing any applicable discounts. In addition to its other rights at law and equity, Citi Trends may offset by chargeback any claim against Vendor from the invoice amount at the time of payment, including without limitation, damages due to Vendor's failure to perform, labor costs, claims arising from damaged, defective or otherwise nonconforming Goods, costs arising from Vendor's failure to pay freight charges, costs of repairing defective merchandise; and/or costs of replacing defective merchandise with goods from another source. Vendor shall pay all federal, state and local taxes, fees, imposts, or stamps incurred in connection with the production, delivery and sale of merchandise to Citi Trends. Vendor agrees that if Vendor's regular selling price for any item or items comprising the Goods is reduced below the price under this Order, or if Vendor agrees to sell to another customer a similar quantity of any item or items comprising the Goods at a unit price which is less than the unit price of those items under this Order, then Vendor shall reduce the price of those items to the lower price. In no instance shall Citi Trends be liable to Vendor in excess of the actual purchase cost, less applicable discounts and/or other deductions, and no interest or other charges will be recognized or paid by Citi Trends on such Order or resulting invoice, whether claimed by reason of late payment or otherwise.
3. Time is of the essence. Vendor shall deliver the Goods within the time(s) specified in this Order. Citi Trends reserves the right to postpone the date of delivery of all or any part of the Goods beyond the specified time(s) and date(s). Failure by Vendor to deliver the Goods, (a) within the time(s) specified; (b) in the quantity and quality specified; or (c) in compliance with Vendor's shipping instructions, billing instructions, warranties and all other terms of this Order, shall at the option of Citi Trends, relieve Citi Trends of any obligation to accept the Goods, in whole or in part, or to pay Vendor for the Goods. This right includes Citi Trends' right to reject all Goods contained in this Order even if only part of the Goods is nonconforming. Upon a failure by Vendor to deliver the Goods as required by this Section 3, Citi Trends may cancel this Order, in whole or in part, and buy goods to replace the nonconforming Goods elsewhere and charge Vendor with any loss incurred by Citi Trends as a result. Any Goods delivered to Citi Trends pursuant to the canceled Order may be received, held and returned to Vendor at Vendor's risk and expense, but Citi Trends may take the offsets described in Section 2 of this Order without returning the Goods to Vendor. Cure of a non-conforming tender may be made only with the express written consent of the Company. Upon Citi Trends' request, Vendor shall provide all service and parts necessary to correct any defects or replace any nonconforming Goods at no cost or expense to Citi Trends. Acceptance, in whole or in part, of any Goods after the time(s) specified in the Order shall not be construed as a waiver of Citi Trends' right to (1) recover costs for late delivery of such Goods or (2) reject any further deliveries on this Order. If Citi Trends accepts early or late shipment of any Goods, a handling charge of 5% of the total order for each advance or late month or fraction thereof shall be charged to the Vendor's account.
4. No charge will be allowed by Vendor for packing, boxing, draying or storage unless specifically stated in the Order. Vendor shall bear the expense of transporting the Goods to Citi Trends, including any and all shipping, loading, and other expenses of transportation unless Citi Trends agrees otherwise in writing. Vendor shall be responsible for obtaining adequate insurance covering the Goods contained in the Order while the Goods are being transported to Citi Trends and until the risk of loss has passed to Citi Trends upon tender and unloading of the Goods by Vendor at the point of delivery specified in this Order and acceptance of such Goods by Citi Trends. Vendor shall be responsible for any damage to the Goods prior to tender and unloading of Goods and for pursuing damage claims with the shipper. Notwithstanding the foregoing, neither title nor risk of loss shall pass to Citi Trends with respect to any nonconforming Goods.
5. Vendor represents and warrants that, (a) the Goods will conform to the drawings, samples or other specifications furnished or adopted by Citi Trends; (b) the Goods will be authentic, safe, fit and sufficient for the purpose intended; merchantable; of best materials and workmanship; and free from defects; (c) the Goods do not infringe any patent, trademark, copyright, right of publicity or other proprietary right, and the owner of any applicable patent, trademark, copyright, right of publicity or other proprietary right has imposed no restriction on the sale or resale of the Goods; and (d) title to the Goods is free and clear of any and all security interests and other liens or encumbrances. Vendor also represents and warrants that the Goods have been produced, the services in connection with the Goods have been performed, and the prices and other terms and conditions of sale, including the terms of all promotions and advertising furnished by Vendor to Citi Trends are, in compliance with the requirements of all applicable federal, state and local laws, rules and regulations, including without limitation the, Fair Labor Standards Act, as amended, sections 6, 7 and 12, the regulations and orders of the United States Department of Labor issued under section 14 thereof, and other laws and regulations relating to employment; Consumer Product Safety Improvement Act; Textile Fibers Products Identification Safety Act; Fur Products Labeling Act; Wool Products Labeling Act; Flammable Fabrics Act; Textile Fibers Product Identification Act; Robinson-Patman Act; Food, Drug and Cosmetics Act; all applicable Federal Trade Commission trade practices rules; all applicable labeling and invoicing laws; the standards of Underwriters Laboratories, Inc; and all applicable building and safety laws. Vendor agrees to provide Citi Trends with a signed guarantee in the form, if any, prescribed by any applicable laws as part of or together with Vendor's invoice, before payment without loss of discount is required to be made under the terms of this Order, that the weights measures, sizes, legends words, particulars of descriptions, if any, stamped, printed or otherwise attached to the Goods or referring to the Goods are true and correct and comply with all applicable laws. Inclusion herein of express warranties and representation by Vendor shall not be deemed a waiver of any other warranties which may be implied in law or fact or provided for by any State or Federal statute or regulation. Any warranties in this Order, express or implied, shall survive inspections, acceptance and payment by Citi Trends and Citi Trends' customers.
6. Citi Trends shall be under no duty to inspect the Goods prior to resale; repacking or culling up for resale shall not be considered acceptance of the Goods. Citi Trends may reject or revoke its acceptance of any Goods in a reasonable time of Citi Trends' receipt of complaint, notice of defects in the Goods or notice of any other breach from its customers. Payment to Vendor shall not constitute acceptance of the Goods. If the Goods are rejected or acceptance revoked by Citi Trends, Citi Trends shall notify Vendor in writing and the Goods may be returned to Vendor at Vendor's risk and expense, but Citi Trends may take the offsets described in Section 2 of this Order without returning the Goods to Vendor. The return of nonconforming Goods shall not relieve Vendor from liability for failing to ship satisfactory Goods pursuant to this Order. Goods returned are not to be repaired or replaced except on written instructions from Citi Trends, and failure to state a particular defect upon rejection shall not preclude Citi Trends from relying on unstated defects to justify rejection or establish breach.
7. Performance of this Order must be in accordance with its terms, dating and conditions. Citi Trends reserves the right to terminate this Order, in whole or in part, at any time prior to delivery and acceptance of the Goods, without penalty, charges or cost to Citi Trends by written notice to Vendor. Upon receipt of such notice, Vendor shall immediately stop work on the portion of the Order terminated and shall take corresponding action with respect to its subcontractors. Citi Trends may also terminate this Order without penalty, charges or cost to Citi Trends at any time upon discontinuance of or substantial interference with Citi Trends' business,

This document is available for viewing on Vendors page on the Citi Trends website: <http://www.cititrends.com/vendors>.

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in whole or in part, by reason of fire, flood, earthquake, tempest, labor dispute, war, act of God, embargo, civil commotion, or government regulation or other cause beyond Citi Trends' control. No change in an Order shall be undertaken without express written authorization of Citi Trends. Citi Trends may at any time by written notice to Vendor, make changes in the specifications, designs, drawings, packaging, methods of shipment, quantities, place of delivery or delivery schedules under this Order. If any such change causes an increase or decrease in the costs of, or the time required for Vendor's performance, an equitable adjustment shall be made in the price or delivery schedule, or both, provided in the case of an increase, a written request for such an adjustment is made to Citi Trends within ten business days from the date of Vendor's receipt of the change notice and this Order shall be modified accordingly by written change order. Nothing contained herein shall relieve Vendor from proceeding without delay to perform the Order as changed.

8. Vendor shall fully defend, indemnify and hold harmless Citi Trends, its successors, assigns, and customers, from all claims, actions, subpoenas, demands, judgments, awards, damages, costs, attorney's fees, expenses, and liabilities of any kind arising out of or related to Vendor's purchase, storage, distribution, display, gift, or resale of any item of the Goods, whether or not the Goods conform to Citi Trends' specifications, drawings or samples, including, without limitation, (a) claims that any item of the Goods infringes any patent, trademark, copyright, right of publicity, trade secret, or other proprietary right, of any person, estate, or business entity; (b) claims that any item of the Goods caused injury or damage due to its (i) defective design or manufacture, whether patent or hidden, (ii) hazardous or toxic component materials, (iii) improper or incomplete labeling, or (iv) breach of any express or implied warranty; (c) claims of the violation of any law, rule or regulation; (d) claims that any item of the Goods contains a defamatory statement or image; and (e) claims arising from a breach of any of Vendor's other obligations under this Order, and (collectively, "Claims" and each individually, a "Claim"). Citi Trends is entitled to cancel the Order or return at Vendor's expense any portion of the Goods in the event Citi Trends is given notice of any Claim. Citi Trends may elect in its sole discretion to retain counsel of its own choosing to represent it in connection with any Claim at Seller's sole expense. The obligation to defend is separate from the obligation to indemnify and hold harmless, and Seller must pay any fees or costs of defense as they are incurred and become due.

9. Where freight is paid by Citi Trends and the freight rate depends upon the value of the Goods, Vendor agrees to include in the release valuation clause on the bill of lading, a valuation, which will result in the lowest transportation charges, permitted under applicable ICC regulations. All express shipments must be marked "value not exceeding \$50" or "value not exceeding 50 cent per lb". Complete routing must be shown on invoices, bill of lading, and cases. Vendor is liable to Citi Trends for any excess freight and handling costs arising from Vendor failing to comply with the billing and shipping instructions set forth in this Order.

10. Vendor represents and warrants that it carries and covenants that it shall maintain commercial general liability insurance, including products and completed operations coverage, as well as contractual liability coverage. Such insurance shall contain policy limits of no less than \$2 million per occurrence/\$5 million aggregate. For each such policy, Vendor shall arrange for Citi Trends to be named as additional insured and shall require that Citi Trends receive written notification not less than (30) days prior to a cancellation or modification of the coverage provided under such policy. Vendor shall provide Citi Trends with acceptable certificates of insurance evidencing the existence of adequate coverage for the insurance described herein and naming Citi Trends as an additional insured.

11. Vendor shall not assign this Order and any right or obligation hereunder without the written consent of Citi Trends. Vendor shall not subcontract all or any portion of this Order without Citi Trends' prior written consent. Any assignment or subcontracting by Vendor shall not relieve Vendor of its duty to perform its obligations hereunder or from any liability it may have as a result of its assignee's or subcontractor's failure to perform any of the terms and conditions contained herein, and Vendor shall be liable for the acts or neglect of its assignees and subcontractors. This order shall be binding upon and inure to the benefit of Citi Trends, Vendor and their respective successors and permitted assigns. This Order may be assigned by Citi Trends at its sole discretion.

12. Vendor shall pay all costs, including attorney's fees, incurred by Citi Trends in connection with its enforcement of the terms and conditions of this Order, whether or not legal action is commenced by Citi Trends. If Citi Trends fails to pay Vendor, Vendor's exclusive remedy shall be to recover the Goods or, in the event the Goods have been sold to a third party, to recover an amount equal to the purchase price under this Order from Citi Trends. In no event shall Citi Trends be liable for indirect, incidental, punitive, special, or consequential damages, even if Citi Trends knew or had reason to know of the possibility of such damages and even if a remedy herein fails of its essential purpose.

13. Orders requiring pre-ticketing are governed by the applicable section of the Citi Trends Vendor Compliance Guide.

14. The provisions of this Order are severable, and, if one or more of said provisions is determined to be invalid, illegal, or otherwise unenforceable, in whole or in part, the remaining provisions to the extent enforceable shall be binding and enforceable. No failure to exercise and no delay in exercising any right contained in this Order shall operate as a waiver thereof; nor shall any partial exercise of any right preclude any other or further exercise of any other right. All notices or other communications shall be in writing and shall be deemed to be effective three (3) days after being mailed to the applicable party at the address set forth in this Order by U.S. Postal Service, registered or certified, return receipt requested, with sufficient postage affixed thereto. The remedies provided under this Order are cumulative and in addition to any other remedies provided at law or in equity. Any claim or dispute arising under, based upon, or related to this Order shall be governed by and construed and enforced in accordance with the law of the State of Georgia, without giving effect to any choice or conflict of law provision or rule that would cause application of the law of any other jurisdiction. Any action by Vendor for breach of this Order must be commenced, and Citi Trends must be served with process in any such action, within one year of the date of breach. All suits or proceedings by Vendor against Citi Trends arising under, based upon, or related to this Order or the goods shall be brought or maintained exclusively in a state or federal court located in Chatham County, Georgia. Vendor submits to the jurisdiction of the state and federal courts located in Chatham County, Georgia. The insurance, indemnity, defense, representation, warranty, liability, legal compliance and cost allocation provisions of this Order shall survive any termination, expiration, cancellation, and/or performance of this Order. This Order constitutes the entire statement of all of the terms and agreements between Citi Trends and Vendor. The terms and conditions contained in the Order may not be altered, modified, superseded, amended or rescinded and no additional terms shall become part of this Order, except pursuant to a writing specially referencing this Order, signed by an authorized representative of Citi Trends to Vendor.