



Vendor Standards Manual

SAKS FIFTH AVENUE

OFF 5TH

SAKS DIRECT

May 24, 2007



Operating Company

Saks Fifth Avenue

Saks Fifth Avenue

Off 5th

Saks Direct

Headquarters

New York, NY



saks.com

To Our Vendor Partners

Thank you for being a part of the Saks Fifth Avenue vendor family. Our vendor relationships have always played a very valuable part in our business. Now that supply chain efficiencies are the key to remaining competitive and satisfying our customers, it has become critical that we develop collaborative partnerships with vendors who have a similar commitment to these technologies. We expect our vendors to support us by shipping their merchandise “floor ready,” trading with our required EDI transactions, and following our Transportation, Packing, and Invoicing guidelines.

We have dedicated ourselves to ensure our vendor standards are in agreement with the direction of the retail industry. As technology advances, we will continue to review it and adopt those enhancements that assist us in achieving our Corporate initiatives.

How to use our Vendor Standards Manual (VSM)

Our Vendor Standards Manual is intended to outline the standards vendor partners must follow when doing business with Saks Fifth Avenue. Although we have tried to clearly define our requirements, if you have specific questions, please refer to the Contact List Section of this manual and direct them to the appropriate person.

As you page through our Vendor Standards Manual, you will notice text that is printed **in a special red font**. This is to help you identify changes or additions from previous Saks Fifth Avenue policies. We have also provided you a summary listing highlighting major revisions following the index pages. Often overlooked requirements or information have also been highlighted in **bold** or various **colored** text.

SPECIAL NOTES

1. This manual does not apply to Leased departments.
2. Floor Ready standards are not required **at this time** in:
 - Supplies
 - Visual displays (**NOTE: Vendor collateral must follow Vendor Standards Manual standards.**)
 - Direct to customer shipments
3. **Compliance with all standards is required for:**
 - Saks Fifth Avenue Private Label
 - Foreign merchandise (Please refer to our International Standards Manual for additional details.)
 - Off-price and special purchase buys
 - Special Events merchandise
4. **Saks Direct or saks.com vendor partners - Compliance requirements and responsibilities will remain consistent with the guidelines provided in this manual for all Saks Fifth Avenue locations.** Our objective is to expeditiously move through the pick/pack/ship process for direct shipment to Saks Direct customers. Saks Direct Fulfillment Center is store #689 and is located in the Saks Fifth Avenue main Distribution Center in Aberdeen, Maryland.
5. Non-compliance with any Saks Fifth Avenue standard will result in an expense offset fee. (See Terms and Conditions of Purchase Order.)
6. **These instructions cancel and supersede all previously issued instructions (including all previously authorized exceptions).**

INTERNET ACCESS

Our Vendor Standards Manual, along with additional vendor support information, is available for viewing or downloading on our website at <http://www.saksincorporated.com> under “Vendor Relations”. All standards updates and revisions are communicated via our website. It is a vendor’s responsibility to monitor our website regularly and keep all their internal departments updated on Saks Fifth Avenue policy and/or procedural changes.



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Overview of Current Revisions

This listing highlights the major changes in the Vendor Standards Manual. As you page through our Vendor Standards Manual, you will notice text that is printed **in a red font**. This is to help you identify all the changes or additions from previous Saks Fifth Avenue policies. Often overlooked requirements or information have also been highlighted in **bold** type. **For details on previous revisions, please go to the last page of this document.**

April 12, 2007		
Section	Page	Description
All	All	
All sections	All	<ul style="list-style-type: none"> ❑ Added red font to new revisions. Deleted the red font from the changes from the prior (March 2007) publication. ❑ Formatting changes
Saks Fifth Avenue Contacts		
Distribution	22	<ul style="list-style-type: none"> ❑ <u>SFA APPROVED STANDARD PLASTIC HANGER PROGRAM</u> – Effective March 22, 2007 and required as of July 1, 2007. <ul style="list-style-type: none"> ○ BLACK metal hooks/bars and black plastic clips are now required on the SFA Women’s and Men’s (Off 5th only) “plain/no logo” standard black plastic hangers. <u>Chrome hooks, bars, or clips are no longer acceptable on the Women’s and Men’s (Off 5th only) hangers.</u> The hanger profiles and black matte finish have not changed. ○ The clear Intimate hanger has changed to an all black plastic, matte finish version. <p>NOTE: No changes to the clear Children's hanger program.</p>
	29	<ul style="list-style-type: none"> ❑ Added Packing Slip example
Appendix		

Saks Fifth Avenue Contact List

SAKS FIFTH AVENUE VENDOR RELATIONS 12 East 49th Street – 16th floor, New York, NY 10017 Sarah Polworth, Director		
Vendor Standards & Outsource information:		http://www.saksincorporated.com under “Vendor Relations”
Department	Contact Info	Responsibilities
Vendor Relations Anthony Loria, Manager <ul style="list-style-type: none"> • Designer • RTW • Children’s Stacey Mower, Manager <ul style="list-style-type: none"> • Handbags • Jewelry • Home & Gift • Women’s Shoes & Accessories Lisa Sposato, Manager <ul style="list-style-type: none"> • Cosmetics & Fragrances • Intimates • Men’s 	Phone: (212) 451-3886 Fax: (212) 940-5717 Anthony_Loria@s5a.com Phone: (212) 451-3773 Fax: (212) 940-5717 Stacey_Mower@s5a.com Phone: (212) 940-5095 Fax: (212) 940-5717 Lisa_Sposato@s5a.com	<ul style="list-style-type: none"> • UPC and retail requirements/UPC conversions • Ticket format approvals and issues • EDI capability issues • SFA hanger requirements on future shipments • New vendor partner compliance plans • Vendor Relations exemption requests (not Transportation or Accounts Payable) • Inquires on “VC” (Vendor Compliance) coded remittance chargebacks • DC/Logistics compliance issues (ex: late ship, hangers, ASN/UCC, ticketing, RNO) on completed merchandise shipments • Vendor processing inquiries • Vendornet Vendor Compliance System (VCS) setup and passwords
Saks Fifth Avenue EDI Rohan Fenton, Manager	Phone: (212) 451-3602 Fax: (212) 940-5717 Rohan_Fenton@s5a.com	<ul style="list-style-type: none"> • EDI testing and implementation • EDI production maintenance of all EDI documents • Vendor EDI transmission problems
General Vendor Relations questions:	E-mail address: vendorrelationsny@saksinc.com	

SAKS FIFTH AVENUE CORPORATE TRANSPORTATION 500 Hickory Drive, Aberdeen, MD 21001 Mark Abild, Senior Director		
Department	Contact Info	Responsibilities
Web Tendering Help Desk Hours: 7:30AM–4:30PM EST	Phone: (410) 297-4444 Fax: (410) 297-5245 Web Tendering e-mail: webtendering2@saksinc.com	<ul style="list-style-type: none"> • Web Tendering setup and passwords compliance issues

SAKS FIFTH AVENUE CORPORATE TRANSPORTATION

500 Hickory Drive, Aberdeen, MD 21001

Mark Abild, Senior Director

SFA Transportation Chrystal Jensen, Manager	Receiving Information & Appointments	Kay Helm Kay_helm@s5a.com Aberdeen, MD Dist. Ctr. 21001 Coreen Mendoza Coreen_Mendoza@s5a.com Ontario, CA Dist. Ctr. 91761	Phone: (410) 297-5520 Appt: (410) 297-5426 Fax: (410) 297-5588 Phone: (909) 390-8827 Appt: (909) 390-8827 Fax: (909) 390-8843
	Volume Shipment	SFA Freight Coordinator SFATraffic@saksinc.com	Phone: (410) 297-4444 Fax: (410) 297-5245
	<ul style="list-style-type: none"> • Trailer or container shipments 		
	Exception Routing	SFA Freight Coordinator SFATraffic@saksinc.com	Phone: (410) 297-4444 Fax: (410) 297-5245
	<ul style="list-style-type: none"> • Carrier and consolidator questions • Special handling requests 		
	For Web Tending assistance – see previous page.		
	Transportation Compliance	SFA Freight Coordinator SFATraffic@saksinc.com	Phone: (410) 297-4444 Fax: (410) 297-5245
<ul style="list-style-type: none"> • “TC” coded (traffic compliance) chargebacks • Transportation standards compliance issues and exemption requests 			

SFA SENIOR DISTRIBUTION CENTER EXECUTIVE

Operating Company	Contact	Phone	Fax
Hickory Ridge (HRDC) 500 Hickory Drive Aberdeen, Maryland 21001	Ted Leuer Mark Abild	(410) 297-5200	(410) 297-5598
Ontario Fashion (OFDC) 4652A Guasti Road Ontario, California 91761	Nicole Trinh	(909) 390-8827	(909) 390-8843

SAKS DIRECT

Website = www.saks.com

500 Hickory Drive, Aberdeen, MD 21001

Department	Contact	Contact Info	Responsibilities
Quality Operations	Shiva Louie, Director shiva_louie@s5a.com	Phone: (410) 297-5228 (888) 321-3313 Fax: (410) 297-5599	<ul style="list-style-type: none"> • Vendor contact for .com shipments • On-line order fulfillment
	Amanda Solyan, Manager Amanda_Solyan@s5a.com	Phone: (410) 297-4616 (888) 321-3313	

SFA ACCOUNTS PAYABLE
Hours: Mon – Fri 8 AM – 4:30 PM CST
P.O. Box 20040, Jackson, MS 39289-0040

MAIN ACCOUNTS PAYABLE PHONE: (601)968-4463 Fax (601) 968-5349

Position	Contact	Phone
Director of Accounts Payable	Peggy Griffis	(601) 592-2959
Accounts Payable Manager	Beth Busbea	(601) 968-5347
Debit Balances, Seasonal Holds, RTV & MDA Approval		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Jackie Price	(601) 592-2992
Debit Balance- Vendors A - Z	Michele Williams	(601) 592-2861
RTV approval, Vendor Seasonal holds	Michele Williams	(601) 592-2861
Markdown allowance approval, paybacks	Michele Williams	(601) 592-2861
Vendor Correspondence for Owned Merchandise		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Kathy Smith	(601) 968-4405
Correspondence Associate - Vendor Issues A, B, C, F, H, J, K, S	Jeannie Keen	(601) 592-2856
Senior Correspondent - Vendor Issues D E G L I N O P	Brenda Hans	(601) 592-2972
Correspondence Associate - Vendor Issues M, Q, R, T, U, V, W, X, Y, Z	Sherry Terry	(601) 592-2952
Chargeback Entry (Debit & Credit Memo)		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Kathy Smith	(601) 968-4405
Internal Audit Recovery		
Manager	Joy Rutledge	(601) 592-2834
Auditor	Jackie Price	(601) 592-2992
Consignment		
Manager	Rachael Ferretti	(601) 968-5393
Supervisor	Phyllis Dunn	(601) 968-5259
Specialist for stores 1 - 39	Gretchen Watkins	(601) 968-5225
Specialist for stores 41 - 689	Judy Smith	(601) 592-2525
Vendor Adjustor A - I	Angela Harris	(601) 592-8725
Vendor Adjustor J - Z	Michel Vida Tillman	(601) 968-5303
Special Projects		
Manager	Rachael Ferretti	(601) 968-5393
Problems signing on Walker	Leola Lacey	(601) 592-8754
Vendor setups/changes	April Cleveland-Sample	(601) 360-2958
International Finance		
Manager	Michael Barnes	(601) 592-2857

OUTSIDE RESOURCES

Organization	Phone	Fax
Inovis (formerly QRS)	1-877-4INOVIS	1-510-621-3980
GS1 US (formerly Uniform Code Council)	1-800-543-8137	(937) 435-7317

Technology Requirements

OUR COMPANY STRATEGY

Saks Fifth Avenue is committed to supporting the Universal Product Code (UPC), Electronic Data Interchange (EDI), and the GS1 US (formerly Uniform Code Council) standards. We believe that by implementing these technologies and guidelines, we can expedite our merchandise flow to the selling floor, manage our inventories better, increase sales, and enhance customer service. This in turn allows us to continue to build a more successful and mutually profitable partnership with our vendors.

VENDOR PARTNER RESPONSIBILITIES

Here is a summary of our standards. Refer to the appropriate section for more details.

- Mark all merchandise with quality, industry standard, vendor generated UPC or EAN barcode tickets, which includes our retail price or a Manufacturer's Suggested Retail Price (MSRP).
- Provide accurate, updated UPC data via the Inovis (formerly QRS) Catalogue
- Required EDI documents
 1. 850 Electronic Purchase Order or 855 Purchase Order (Vendor Generated) Acknowledgment.
 2. Accurate carton level EDI Advanced Ship Notice/Manifest (856). Use the "scan and pack" method to create your ASN.
 3. GS1-128 (UCC-128) Shipping Container label related to a valid ASN.
 4. 997 Functional Acknowledgment.
 5. 810 Electronic Invoice
 6. Electronic VICS Bill of Lading to our carriers
- Insert a SFA approved floor ready hanger in all merchandise that is displayed hanging on our selling floor. (Please refer to our SFA approved hanger program in the Appendix.)
- Follow Saks Incorporated Transportation Routing and Shipping Instructions. (See www.saksincorporated.com for current version.)
 1. "**Ship Date**"/"start delivery date" is the first day receipts are allowed for the Purchase Order.
 2. "**Cancel Date**" is the last day receipts are allowed for the Purchase Order at the DC or store direct level.
- Comply with Accounts Payable requirements for invoicing and correspondence.

UPC OR EAN TICKETING / INOVIS (formerly QRS) CATALOGUE

The foundation of our collaborative vendor partnership is the implementation of the vendor Universal Product Code (UPC). This provides us with a common language for all communication. The majority of our purchase dollars is spent with vendors who use UPC. Merchandise not marked with UPC is more costly to process and delays our merchandise flow to the selling floor.

The following steps will ensure that your company is positioned for successful UPC partnerships with Saks Fifth Avenue. **Once a UPC partnership is established, you will be eligible for trading EDI documents with us.**

- Mark all your merchandise with a vendor generated, industry standard UPC (UPC-A) or EAN (European Article Number) barcode. Do not use both. Ensure that your UPC/EAN tickets are accurately affixed to the merchandise.

- Include our retail or a Manufacturer’s Suggested Retail Price (MSRP) on your UPC tickets. (Refer to Ticketing Guidelines.) Our retail price is included in both our 850 EDI document and our approved “Buyer’s Workmate” computer generated hard copy.
 - ***Saks Fifth Avenue Off 5th Only*** – Your price ticket must contain a “dual retail,” meaning a MSRP or “Value” retail plus the Off 5th selling retail communicated by your Off 5th buying office.

*The MSRP or “Value” retail should be listed **ABOVE** the Off 5th retail price.*
- Include Product ID (vendor style #) along with color/size (where appropriate) on all tickets. **Tickets should be printed in English.**
- Contact the GS1 US (formerly Uniform Code Council) if you do not have UPC numbers. (See Contacts List.)
- Create and affix your UPC tickets following the GS1 US (formerly Uniform Code Council) guidelines.
- Assign your UPC numbers at the product ID/color/size level. These numbers should be unique to the merchandise. Although the industry standard requires a waiting period of 30 months for fashion merchandise and a 48 month for non-fashion merchandise, **we recommend that you do not reuse UPCs, EANs, or PIDs.**
- Use the NRF Color (3 digit) and Size (5 digit) Codes.
- Provide an accurate UPC or EAN listing via the Inovis (formerly QRS) Catalogue prior to product availability.
- If Saks Fifth Avenue orders less than 100 UPCs/EANs annually from your company, you may apply for an exemption to the Corporate Floor Ready Office. You will be required to provide an accurate, updated paper catalog to the appropriate buying offices. **If your UPC/EAN information is not accurate or timely, an expense offset fee will be assessed if we experience a delay in ordering or processing as a result of it.**
- UPC/EAN catalog information must include UPC/EAN, meaningful product description and ID, selection code, NRF Color and Size Codes. (Cost price, Manufacturer’s Suggested Retail Price)
- Ensure that the product ID/color/size on the Inovis (formerly QRS) Catalogue specifically matches the information that is used on all other materials including the UPC ticket and the merchandise it is affixed to, buyer materials, and shipping information.
- UPC catalog data must be configured following the specifications of the UCC.
- Do not use “secondary” barcode formats (I 2/5, 128) on merchandise or ISBN (book numbers) on non-book items.
- **Gifts with purchase (GWP) and purchase with purchase (PWP) must be assigned and ticketed with UPC codes. This information must be included in your UPC catalog and all EDI transactions.**
- **Collateral such as display fixtures, vendor brochures, or cosmetic testers must be assigned UPC codes, included in your UPC catalog, and all EDI transactions. Cosmetic testers should be assigned a different, unique UPC from the actual product. UPC marking is required on all collateral, but retail pricing is not required.** To expedite processing at the distribution center, collateral must be packaged separately and clearly marked “Collateral.”

INDUSTRY STANDARDS REFERENCES	
UPC ticket format and marking guidelines	GS1 US (formerly Uniform Code Council) “UPC Marking Guidelines for General Merchandise and Apparel.” 1-800-543-8137 http://www.uc-council.org/ean_ucc_system/education_support/product_catalog.html
Inovis (formerly QRS) Catalogue	Inovis (formerly QRS) 1-877-4INOVIS

ELECTRONIC DATA INTERCHANGE (EDI)

EDI is a paperless electronic transmission system, which provides us the opportunity to:

- Expedite communication between the retailer and vendor, at a more detailed (color/size) level
- Eliminate paper media
- Contain costs by reducing redundant data entry and lowering required weeks of supply

Saks Fifth Avenue has developed our EDI program to conform to industry standards, eliminating the need for you to develop specialized systems. We follow the VICS guidelines and ask that our trading partners do the same. All our documents are traded at the UPC level.

To qualify for an EDI partnership, you must be 100% UPC marked and provide us access to your UPC Catalog on Inovis (formerly QRS).

EDI is a requirement of doing business with Saks Fifth Avenue. Our vendors are expected to comply and to contact us to start testing. Refer to the EDI portion of the Contact List section for numbers to call. An expense offset fee will be assessed to any vendor who cannot comply with this standard. (See the Expense Offset Section of this manual.)

SAKS FIFTH AVENUE CAN RECEIVE THE FOLLOWING EDI DOCUMENTS

855	Purchase Order (Vendor Generated)	997	Functional Acknowledgment
856	Advance Ship Notice/Manifest	810	Electronic Invoice

SAKS FIFTH AVENUE CAN SEND THE FOLLOWING EDI DOCUMENTS

850	Outbound Purchase Order (Retailer generated)	997	Functional Acknowledgment
852	Product Activity (Sales) Data		

**** See the EDI mapping specifications at www.saksincorporated.com under “Vendor Relations”****

NOTE: You are also REQUIRED to electronically transmit your Bills of Lading to our carriers. Contact our primary authorized carrier for your zip code to enlist their assistance in answering questions as to the preferred method of electronic transmission. Failure to provide electronically transmitted carton level detail to FEDEX, and an electronically transmitted Bill of Lading to our Consolidators and LTL Carriers will result in a compliance charge.

INDUSTRY STANDARDS REFERENCES		
EDI startup/questions	GS1 US (formerly Uniform Code Council) <u>or</u> Inovis (formerly QRS)	1-800-543-8137 1-877-4INOVIS

AUTOMATIC REPLENISHMENT / VENDOR MANAGED INVENTORY

By establishing Automatic Replenishment or vendor managed relationships with our vendors, we have the opportunity to work together to maximize both profitability and customer service on replenishable or “basic stock” items.

Replenishment vendors must have the ability to:

- Achieve a 95% or greater fill rate per Purchase Order on all replenishment items. Substitutions, late deliveries, and back orders are not acceptable.
- Adhere to the start ship and cancel dates on the Purchase Order. **Ship** PO’s only on the ship date through the cancel date.
- Meet SFA floor ready requirements.
- Assist the merchants in resolving out-of-stock and over stock issues.
- Accept timely, monthly RTVs for damaged and salvaged merchandise in order to keep the on hand saleable
- Maintain the same style number and UPC/EAN season to season. Should the need arise, the Saks Direct Replenishment office needs to be notified one month in advance of the change.
- Provide case pack details and shipping minimums per door to the Replenishment and buying offices.
- Notify the Replenishment and buying offices of price changes one month prior and markdowns two months prior to the effective date.
- Notify the Replenishment and buying offices one month in advance of warehouse closings due to inventory, vacation, etc.
- Notify the Replenishment office of styles out of stock.

Our Purchase Order

TERMS AND CONDITIONS

These terms and conditions apply to all purchases by Saks Fifth Avenue Enterprises doing business as Saks Fifth Avenue or Off 5th through its wholly owned subsidiaries (individually and collectively “Purchaser”).

Authority and Acceptance: Purchaser purchases goods through electronic transmissions (EDI) or written purchase order contracts. You must have a valid purchase order prior to shipping goods to any Saks Fifth Avenue Enterprises subsidiary or operating company. Verbal orders and/or “house orders” will not be valid unless confirmed with a written or electronic purchase order. By shipping goods or performing specified work, you agree to the terms and conditions of sale set forth herein, unless otherwise modified in writing by Purchaser. Any different or additional terms in your acceptance of the order are hereby objected to.

Vendor Expressly Warrants and Indemnifies as Follows:

- a. That all the articles, material and work covered by this order will conform to the specifications, drawings, samples or other descriptions furnished or adopted by Purchaser, and will be of good material and workmanship, and free from defects.
- b. That the goods will be merchantable, fit, safe and sufficient for the purpose intended.
- c. That all weights, measures, sizes, and particulars stamped on such goods or their containers comply with local, state and federal laws.
- d. That in supplying the articles, materials, and work, Vendor has complied with all applicable laws and regulations of the country where the merchandise is manufactured, including but not limited to, laws against child labor, forced labor, and unsafe working conditions, and if asked, Vendor will confirm such compliance in writing.
- e. That such goods and any advertising or promotional materials furnished therewith by Vendor comply and conform to all applicable federal and state laws and any regulations, rules, and standards promulgated thereunder, including but not limited to: Consumer Product Safety Act, Flammable Fabrics Act, Food, Drug, and Cosmetic Act, Fur Products Labeling Act, Hazardous Substances Labeling Act, Occupational Safety and Health Act, Fair Labor Standards Act, Textile Fiber Products Identification Act and Wool Products Labeling Acts.
- f. That such goods do not and will not infringe upon any patent, trademark, trade name, copyright or other similar right. You agree to protect, indemnify and hold Purchaser, its affiliates, its agents, and its employees, harmless against any claim, loss or damage, including attorneys fees, from any alleged or actual trademark, patent or copyright infringement or unfair competition action resulting from our activities of use, sale or offering for sale any goods covered by this order. No specification by Purchaser with respect to any part of this order shall constitute a warranty, express or implied, against any claim for infringement of patents, copyrights or trademarks and Purchaser shall not be responsible to you, as indemnitor or otherwise, for or on account of any such claim or liability.
- g. That you will not sell to any person or entity any goods bearing or labeled with any trade name, trademark, service mark, logo, private label brand or design that is proprietary to Purchaser without the express written consent of Purchaser, even if said goods were rejected, cancelled, refused or returned by Purchaser.
- h. That you will protect, indemnify, and hold harmless Purchaser, its affiliates, its agents, and its employees from any claim, loss, or damage, of any nature, arising out of your violation of the terms of this purchase order, including but not limited to any breach of warranty or claim connected in any way to the goods purchased under this order. Your duty to indemnify and hold harmless covers all losses, damages, and costs, including attorney’s fees.

The above indemnification and warranties shall survive the termination or cancellation of this Order.

Invoicing Instructions: Each invoice must show specific information as described within the Accounts Payable section of the “Vendor Standards Manual”, located on Purchaser’s website at www.saksincorporated.com under “Vendor Relations.” Our website may be updated periodically.

Return and Cancellation Policies: You hereby agree that without prior authorization from you, and without further notice, Purchaser reserves the following rights:

- a. To refuse and/or return all goods delivered which are not equivalent to samples submitted or examined, or are damaged, or are not fit for resale, or do not conform to all specifications, terms and conditions of this order and to all warranties and guarantees herein set forth (being considered “defective” goods for our purposes). It is understood that this return policy shall apply to all such goods when found to be defective at any time prior to resale, or after resale if Purchaser allowed the customer a refund or credit.
- b. To refuse and/or return all goods which do not meet our purchase order specifications of style, size, color, quantity and/or quality (including unauthorized substitutions); or which are shipped before the ship date, or after the cancel date, or without valid purchase order numbers or without valid department numbers.
- c. To cancel this order, in whole or in part, in the event the goods are not shipped in accordance with the terms and conditions hereof.
- d. To cancel this order, in whole or in part, in the event the goods are shipped after the cancel date, time being of the essence.
- e. To cancel or postpone this order, in whole or in part, in the event of an Act of God, riot, fire, flood, strike, inability to obtain gas or electricity, or any other cause affecting and beyond the control of Purchaser.
- f. To accept any part of a shipment without waiving the right to refuse or reject the balance thereof by reason of your failure to comply fully with the terms and conditions of this order.

All risks, claims, storage or handling charges on refused, rejected, returned, postponed or cancelled goods are your full responsibility, regardless of other terms of sale or passage of title. Any claims for non-payment of an invoice by reason of either our non-receipt of goods shipped by you or your non-receipt of goods returned by us, must be sent to Purchaser via certified mail no later than 60 days after goods are shipped.

When goods are returned, refused or cancelled, they shall be returned via carrier of Purchaser’s choice, F.O.B. origin, freight collect. Consideration will be given to your carrier of choice upon receipt of your written request stating that you will not refuse any such returned goods. The cost of returned, refused or cancelled goods, including freight and handling charges, will be charged to you.

Dating, Terms And Instructions:

Time is of the essence on all orders, see above rights to refuse goods if not timely delivered

- a. Goods received on or after the 25th day of a month will be recognized as received on the 1st day of the next succeeding month.
- b. Discounts for fast payment will be calculated from the later of the date goods are received in our distribution facility, or the date we receive an invoice.

Vendor Standards: Vendor recognizes receipt of and an understanding that, it is their obligation to adhere to all requirements, as cited in the current Vendor Standards Manual section of the Purchaser’s website, located under “Vendor Relations.” Deviations from any Vendor Standards Manual guideline must be approved in writing by Purchaser.

Administrative Fees / Expense Offset Fees: Purchaser is entitled to be compensated as outlined in the Vendor Standards Manual, for non-compliance with these specifications (including those fees detailed in the Expense Offset Schedule) in the form of an invoice deduction(s) from any amounts owed the Vendor. Instead of a deduction, purchaser may demand direct payment of expense offset fees or other administrative fees specified in the Vendor Standards Manual. Any such direct payment demand by purchaser shall be made within 30 days of the date of demand. Late payments shall accrue interest at the rate of one percent (1%) per month. Any amounts billed or deducted by purchaser for failure to comply with the Vendor Standards Manual shall be considered liquidated damages and not a penalty.

Back Orders: You agree to make one complete shipment. Purchaser reserves the right to charge back all freight charges as a result of back orders, divided, or partial shipments.

Assignment: You shall not assign or transfer this order or any interest therein or monies payable thereunder without our written consent, and any assignment made without such consent shall be null and void. Purchaser may assign this order and its interest therein to any affiliated or subsidiary corporation, or to any corporation succeeding to Purchaser's business without your consent. Any assignment, consented to by Purchaser, remains subject to all terms and conditions hereof, including Purchaser's rights to offset and chargeback.

Remedies and No Waiver: No waiver of any of the terms and conditions of this purchase order shall be effective unless in writing and signed by official of Purchaser. No waiver of a breach shall be construed as a waiver of a subsequent breach. The rights and remedies herein provided Purchaser shall be cumulative and in addition to any other rights and remedies given by law.

Governing Law and Jurisdiction: This Agreement shall be construed in accordance with and governed by the laws of the State of New York and the laws of the United States applicable herein, without regard to conflict of law rules, which would cause the laws of any other jurisdiction to apply. The parties hereto expressly exclude the application of any non-United States laws and the United Nations Convention on Contracts for the International Sale of Goods from this Agreement and any transaction that may be entered into between the parties in connection with this Agreement. You hereby waive any local or international law, convention or regulation that might provide an alternative law, construction or venue to the extent a waiver shall be permitted under such law, convention or regulation. Any action or legal proceeding related to this Agreement shall be instituted exclusively in state or Federal Court in New York, New York. You hereby agree that venue and jurisdiction are proper in such courts.

Contacting Us: If you need to contact us you may determine the appropriate person and telephone number or address by visiting our website and going to "Vendor Relations," selecting "Vendor Standards Manual" and then proceeding to the "Contacts" section.

VSM PO Terms/March 30, 2006

Distribution

OUR COMPANY STRATEGY

Our goal is to utilize available technology to implement efficiencies and improved management within the supply chain while expediting our merchandise to the selling floor and enhancing our service to our customer. We believe that this can be accomplished through cross docking. Our definition of cross docking means your shipment is accurate, received 100% floor ready, and moved directly through our distribution facility without any merchandise preparation required.

VENDOR PARTNER RESPONSIBILITIES

Ship all merchandise to Saks Fifth Avenue following all cross docking requirements:

- A valid purchase order.
- Merchandise is 100% floor ready; i.e. ready to be placed directly on the selling floor.
- Packed by store location.
- An accurate 856 carton level Advance Ship Notice/Manifest received prior to shipment with a related, scannable GS1-128 (UCC-128) Shipping Container label.
- Compliance to all Saks Fifth Avenue transportation and routing guidelines, **including an Electronic VICIS Bill of Lading to our carriers.**

PURCHASE ORDER VERIFICATION

- There are two types of valid purchase orders
 1. An EDI document (850 Buyer Generated or 855 Vendor Generated)
 2. A paper document (“Buyer’s Workmate” computer generated or “Vendor copy” system printout), which states “This order is subject to the Terms and Conditions found on www.saksincorporated.com”
 3. **For a copy of our Terms and Conditions of Purchase Order, please refer to that section in this manual.**
- Upon receipt of our purchase order, take the time to verify all the information on the document. If the details are not accurate, contact the appropriate Saks Fifth Avenue buyer and resolve the issue(s), prior to shipping.
- **If purchase order changes are required, request the buyer to retransmit the EDI order, send you a new vendor copy, or provide a screen print of the change for your records to ensure the corrections have been made. No hand written buyer notes, verbal or phone agreements will be honored by our Corporate Vendor Compliance Office. The only authorized source for granting Transportation exemptions is the SFA Transportation Office. The only authorized source for Floor Ready or DC related exemptions is the SFA Vendor Relations Office** (see Contacts List.)
- **Use the Saks Incorporated Web Tendering system to validate the status and the correct ship window of your purchase order. (See section on Web Tendering)**
- **Ship** PO’s only on the ship date through the cancel date. Merchandise must not be shipped after the “Cancel Date.”
- All merchandise must be received pre-distributed and packed by store unless specifically authorized by SFA Vendor Relations. (An expense offset fee will be assessed if you are non-compliant.)

AUTOMATIC RETURNS

Please note that Saks Fifth Avenue reserves the right to refuse, return without vendor return authorization, or assess the appropriate expense off set fee:

- If order is **NOT** web tendered and shipped past the purchase order cancellation date (shipments made via our consolidators must be received by the consolidators no later than the cancellation date of the purchase order),
- If merchandise does not have a valid purchase order and/or department numbers,
- If merchandise does not meet our purchase order specifications of style, color, size, quantity, and/or quality.

Our policy is to ship all such returns via common carrier, F.O.B. Origin, freight collect. **To avoid returns you may validate your PO's via the Web Tendering process. (See section on Web Tendering)**

FLOOR READY MERCHANDISE (FRM)

Merchandise is "floor ready" when it is received with an accurate ASN and GS1-128 (UCC-128) at our distribution centers ready to be placed directly on the selling floor or in our #689 Saks Direct on-line store. Our Floor Ready requirements are:

- Merchandise must be 100% UPC (UPC-A format) or EAN (European Article Number) marked with industry standard, quality, scannable, vendor generated tickets.
- Merchandise must be ticketed prior to receipt at our distribution facilities with our price or a manufacturer's suggested retail price (MSRP).
 - ***Saks Fifth Avenue Off 5th Only* – Your price ticket must contain a "dual retail," meaning a MSRP or "Value" retail *plus* the Off 5th selling retail communicated by your Off 5th buying office.**

*The MSRP or "Value" retail should be listed **ABOVE** the Off 5th retail price.*

- If you are using a hang tag UPC ticket, use a plastic swift-attach to secure the UPC ticket to the merchandise. If you have questions on placement, please refer to the Ticket Placement Guidelines found in the Appendix.
- If your merchandise is sized, a size on your UPC ticket is required.
- All merchandise displayed hanging on our selling floor must be shipped to us on a SFA approved Floor Ready hanger, packed to prevent wrinkling in a conveyable carton. (See SFA Hanger Program chart in the Hanger Requirements Section.) *If merchandise is purchased in a store captive* department, it will be necessary to ship on a hanger to facilitate handling and stockroom storage. For further instructions please contact SFA Vendor Relations.*
 - *The Saks Fifth Avenue buyer will communicate to you if you are a part of the 'store captive' hanger program.
- You must have the ability to receive or transmit an EDI purchase order (850 Buyer Generated or 855 Vendor Generated).
- An accurate 856 carton label Advance Ship Notice/Manifest on all merchandise shipments (see "Special Notes" in the To Our Vendor Partners section).
- GS1-128 (UCC-128) Shipping Container label (that is related to a valid ASN transmission) should be affixed to the outside of the carton.

If you are unable to comply immediately with FRM standards but plan to in the near future, you can apply to be approved for a **temporary exemption**. You must present in writing a gameplan with specific compliance dates using the Vendor Capabilities form in the Appendix Section or your company letterhead. This information will be reviewed by the SFA Vendor Relations Office and a response will be issued in writing. Remember to include all label or alias names when completing this form.

Submitting an exemption request does not give you an automatic exemption. The only authorized source for Floor Ready exemptions is the SFA Vendor Relations Office (see Contacts). No hand written buyer notes, e-

mail, verbal conversations, or phone agreements will be honored. If approved, the exemption will be effective as of the date your exemption was received in the SFA Vendor Relations Office. The fastest way to communicate with the SFA Vendor Relations Office is by fax. We have provided a fax number in the Contacts Section of this manual.

New vendors with no prior history with Saks Fifth Avenue will qualify for a **30** day grace period from ASN/GS1-128 (UCC-128). SFA Vendor Relations will initiate this grace period, effective as of the date of the AP vendor number assignment, and notify vendor of the approved exemptions and time frame.

Floor Ready compliance is required on GWPs, PWPs, collateral, testers, container purchases, off-price, special purchase buys, special orders, and trunk shows. Furniture is required to comply with our Floor Ready standards.

An expense offset fee will be assessed for all merchandise not in compliance with our Floor Ready Merchandise standards. The purpose is not to chargeback your company, but to achieve compliance so we can move merchandise to the selling floor quickly. Please see the Expense Offset Section.

INDUSTRY STANDARDS REFERENCES	
UPC ticket format and marking guidelines	GS1 US (formerly Uniform Code Council) “UPC Marking Guidelines for General Merchandise and Apparel.” Phone: 1-800-543-8137 Fax: (937) 435-7317 http://www.uc-council.org/ean_ucc_system/education_support/product_catalog.html

FLOOR READY MERCHANDISING

Op Comp	Contact	Phone #	Fax #
Saks Fifth Avenue	Vendor Relations	(212) 451-3886 (212) 451-3773 (212) 940-5095	(212) 940-5717

TICKETING

- Mark all your merchandise with a vendor generated UPC (UPC-A) or EAN barcode. Do not use both. Ensure that your UPCs are accurately affixed to the merchandise. UPC codes can be obtained through the UCC listed at the end of this ticketing section. (See UPC section of this document for additional information.)
- Ensure that the barcode you produce is scannable and complies with the industry standard.
- Include our retail or a Manufacturer’s Suggested Retail Price (MSRP) on your UPC tickets for most of our merchandise. Our retail price is included in our 850 EDI document, in compliance with VICS EDI standards. No expense offset fee will be assessed if we elect not to utilize the suggested retail.
- **PWPs or Purchase with Purchase items require retail price.**
- Our vendors can provide us retail in one of several ways:
 1. Print our retail directly on the vendor hang tag in Zone 6.
 2. Print a suggested retail in the perforated Zone 7 of your UPC ticket.
 3. Apply a price only sticker to your UPC ticket with a ticket gun.
- If you are unable to produce tickets in-house, we suggest contacting an outsource service. A list of outsource services can be found on our website at <http://www.saksincorporated.com> under “Vendor Relations”.
- Place the retail price adjacent to the UPC code. This provides our associates a convenient way to verify pricing when they ring the item on POS.
- Include product ID (vendor style # or PID) and merchandise color name on all retail tickets. If your merchandise is sized, please include this on your UPC ticket.

- Create and affix your UPC/EAN tickets securely to your merchandise, following the “Ticket Placement Guidelines” found in this manual.
- Ensure that the PID/color/size on the Inovis (formerly QRS) Catalogue exactly matches the information that is used on all other materials including the UPC/EAN retail ticket.
- **Off-price or closeout assortments must include a UPC, style/Product ID (PID), size, and retail price.** The UPC and product ID must be unique, so it can be easily identified from any regular merchandise.
- **Boxed merchandise** that can be sold in or out of the packaging must be ticketed with **UPC and price both on the item and on the box.** If you are unable to double ticket, then please provide “piggy back” (double stick) tickets so we can re-apply them to the item easily.
 - **Note the exception for Off 5th shoes:** Footwear for Off 5th must be ticketed with dual retail UPC/EAN or SKU tickets on the bottom of the right shoe.
- Where your merchandise will be sold as either a set or individually, please provide both the “each” UPC and the set UPC. Affix the set UPC on the outside of the package and the “each” UPC on the individual item.
- If your merchandise is sold in two different departments at Saks Fifth Avenue (e.g. sunglasses) you must assign unique UPC codes to prevent inventory shortage issues. Your UPC catalog PID description should also clearly state these differences.

An expense offset fee will be assessed for all merchandise not in compliance with our ticketing standards. Please see the Expense Offset Section of this manual.

INDUSTRY STANDARDS REFERENCES	
UPC ticket format and marking guidelines	GS1 US (formerly Uniform Code Council) “UPC Marking Guidelines for General Merchandise and Apparel” Phone: 1-800-543-8137, Fax: (937) 435-7317 http://www.uc-council.org/ean_ucc_system/education_support/product_catalog.html

TICKET FORMATS

(Per GS1 US/UCC guidelines.)

Vertical Ticket Format

Zone 1	⇐ Merchandise Identification (PID) <i>Optional Size to Color code location.</i>
Zone 2	⇐ Vendor Information
Zone 3	⇐ UPC Version A Symbol or EAN Version A Symbol
Zone 4	⇐ Consumer Information <i>Optional Size to Color code location.</i>
Zone 5	⇐ Size/Dimension <i>Preferred Size to Color code location</i>
Zone 6	⇐ Space for Retail Price (1" x 1.25")
Zone 7	⇐ Manufacturer's Suggested Price (perforated section)



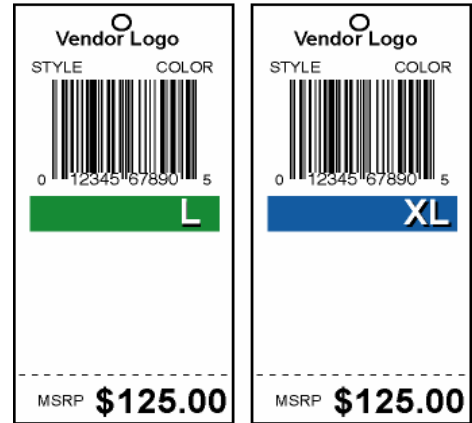
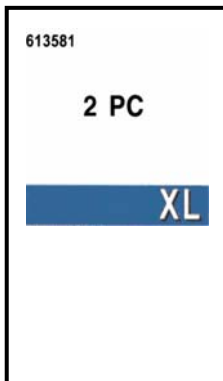
Horizontal Ticket Format

Zone 1	Zone 3	Zone 4	Z o n e 7
Zone 2	Zone 5	Zone 6	

Ticket Format Key

Required Information	Optional Information
----------------------	----------------------

Sample: 2nd piece of 2-piece garment



Samples of Acceptable Barcode Tickets
(VICs Size to Color Code optional at SFA)

For ticket format approval, email sample to vendorrelationsny@saksinc.com or mail to SFA Vendor Relations.

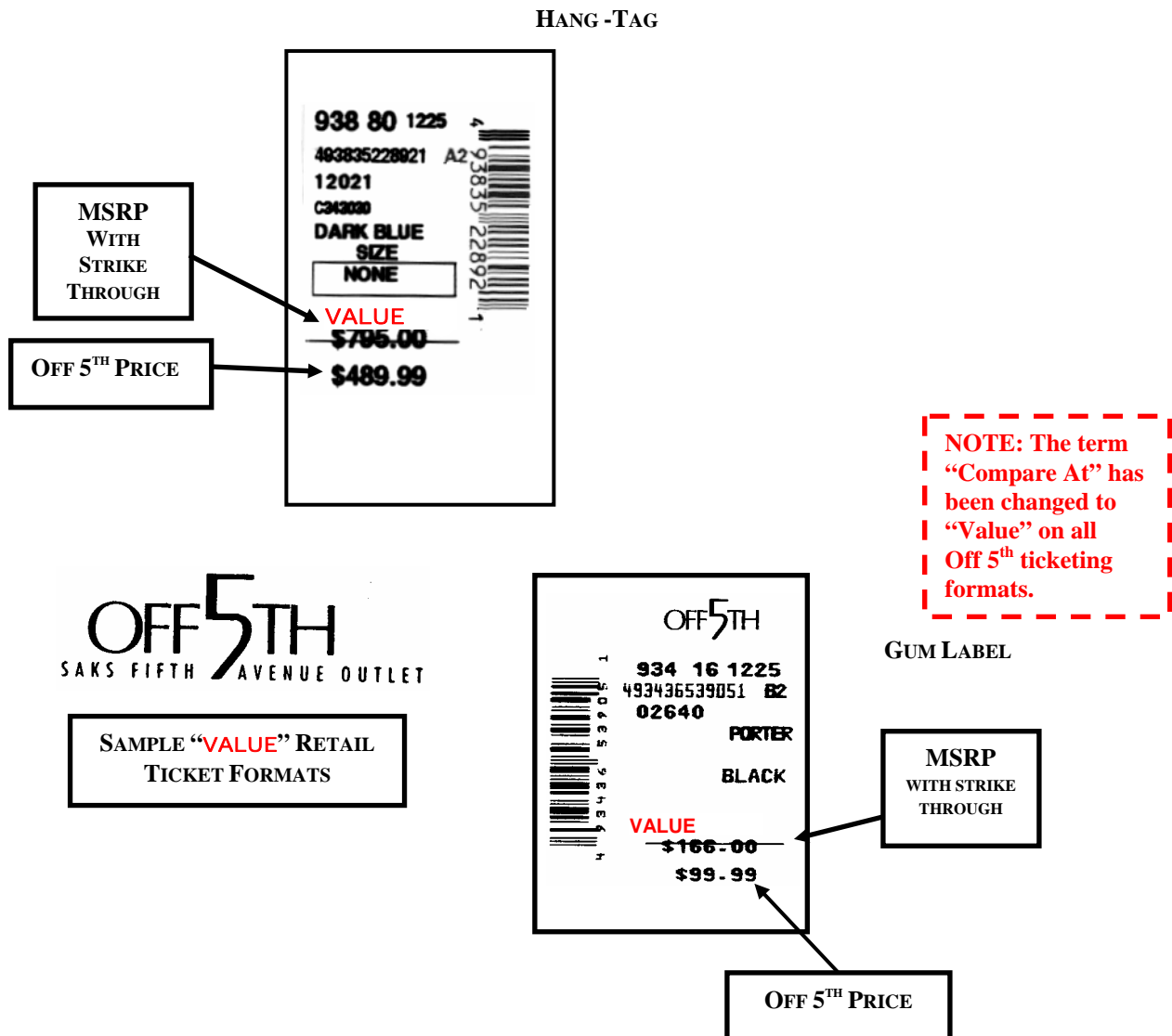
SAKS FIFTH AVENUE OFF 5TH DIVISION TICKET REQUIREMENT

Your Price Ticket Must contain **DUAL RETAIL**, that is the MSRP (Manufacturer's Retail Price), also referred to as "**Value**" retail, and the Off 5th selling retail communicated to you by your Off 5th buying office. The MSRP or "**Value**" retail should be listed above the Off 5th retail price.

Gift with purchase (GWP) and purchase with purchase (PWP) must be assigned and ticketed with UPC/EAN codes. This information must be included in your UPC/EAN catalog and all EDI transactions.

If your system cannot support dual retail, Saks Fifth Avenue Logistics will provide Off 5th tickets. We will print and ship to your factory, warehouse or distribution center for attachment, valid tickets with your UPC or our SKU and the required dual retail. Your buyer must request these tickets and can provide more information regarding our printing service.

Off 5th footwear: Footwear for Off 5th must be ticketed with dual retail UPC/EAN or SKU tickets on the bottom of the right shoe.



SAKS DIRECT (www.Saks.com) MERCHANDISE

Saks Direct or saks.com vendor partners - Compliance requirements and responsibilities will remain consistent with the guidelines provided in this manual for all Saks Fifth Avenue locations. Our objective is to receive merchandise from our vendors ready to be processed, allowing the merchandise to move expeditiously through the pick/pack/ship process for direct shipment to Saks Direct customers. Saks Direct Fulfillment Center is store #689 and is located in the Saks Fifth Avenue main Distribution Center in Aberdeen, Maryland.

SAKS FIFTH AVENUE SEWN-IN WOVEN LABELS

Our Saks Fifth Avenue buyer will communicate to their vendor if SFA sewn-in woven labels are required. It is the vendor's responsibility to obtain these labels. **Do not ship without these labels. No substitute labels are allowed.** Any deviation from these instructions will be assessed a handling charge against the vendor for extra handling or administrative expense incurred due to not using Saks Fifth Avenue labels. See the Appendix section for samples and ordering information.

GARMENT ON HANGER (GOH) SHIPPING

Saks Fifth Avenue Distribution Centers or Stores do not accept GOH shipments, with the following exception; only merchandise ordered specifically for our NY stores, identified on our Purchase Order as stores 001 and 101 AND from vendors shipping from the NY/NJ/PA Tri-State Commercial Zone are permitted to ship GOH AND only when the Purchase Order is flagged as Hanging. GOH shipments must then be protected by plastic garment bags or covering, sealed or tied at the bottom and must be correctly and clearly marked for the appropriate NY store, 001 or 101 as indicated on your Purchase Order. All GOH must be shipped on Saks Fifth Avenue approved hangers. Shipping GOH to or for any other SFA stores will result in an expense-offset fee. ASN vendors must provide a UCC128 label and corresponding ASN, and limit the number of GOH to not more than 30 units per each UCC 128.

HANGER REQUIREMENTS






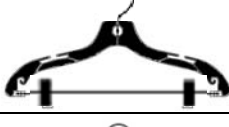
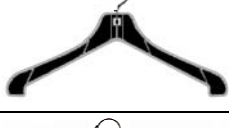


All merchandise that is to be presented hanging on the selling floor must be shipped to us with an approved Saks Fifth Avenue hanger inserted in each garment and then flat packed into conveyable cartons or in a hanger pack. Please refer to the General Packing and Shipping Instructions section. For our approved hanger manufacturers listing please visit www.saksincorporated.com under "Vendor Relations". If merchandise is purchased in a store captive* department, it will be necessary to ship on a hanger to facilitate handling and stockroom storage. For further instructions please contact SFA Vendor Relations.

*The Saks Fifth Avenue buyer will communicate to you if you are a part of the 'store captive' or the **"SFA logo specialty black hanger"** programs. **See the Appendix for the approved SFA logo specialty black hanger outsources.**



SFA APPROVED STANDARD HANGER PROGRAM



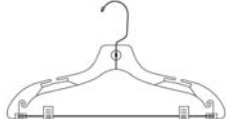

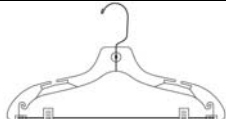
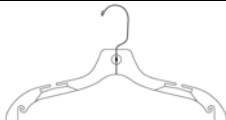
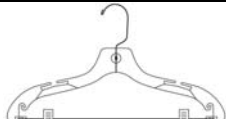
Note: Hanger changes effective March 22, 2007 and required as of July 1, 2007.

Standard Hanger	Hanger Style	Hanger Description
Women's		
Standard Dress, Jacket, Blouse, 1pc Swimsuit – Effective Mar. 22, 2007		Black plastic 17”, matte finish, black swivel hook
Standard Pant, Skirt (Required profile as of Nov. 1, 2006) Standard Suit, 2pc Swimsuit Effective Mar. 22, 2007		Black plastic 17”, matte finish, black swivel hook, black plastic only clips
Standard Outerwear Effective Mar. 22, 2007		Black plastic 17” heavyweight, matte finish, black swivel hook
Bras and Panties Effective Mar. 22, 2007		Black plastic, matte finish, foundation hanger
Men's – Off 5th only		
Men's Full Line is “store captive” which means it is necessary to ship on an appropriate hanger to facilitate handling and stockroom storage. However the hangers do not need to meet the standards below.		
Standard Top Effective Mar. 22, 2007		Black plastic 17”, matte finish, black swivel hook
Standard Pant (Required profile as of Nov. 1, 2006) Effective Mar. 22, 2007		Black plastic 17”, matte finish, black swivel hook, black plastic only clips
Standard Outerwear Effective Mar. 22, 2007		Black plastic 17” heavyweight, matte finish, black swivel hook
Suits and Sport Jackets Effective Mar. 22, 2007		Black wood 18 ½”, black swivel hook with wooden bar, white NEW SCRIPT SFA logo
Tailored Slacks Effective Mar. 22, 2007		Black 14” wooden pant, black swivel hook, pant dowel w/grippen, white NEW SCRIPT SFA logo

Visit our website at <http://www.saksincorporated.com> under "Vendor Relations" and SFA for a listing of approved Saks Fifth Avenue hanger outsources. E-mail Walter Mayo at walter_mayo@s5a.com or call 212-320-4727 for more information.



SFA APPROVED STANDARD HANGER PROGRAM

Standard Hanger	Hanger Style	Hanger Description
Children's		
Infant Dress, Top, Outerwear, 1pc Swimsuit		Clear 10", chrome swivel hook preferred, but Clear 12" acceptable
Toddler Dress, Top, Outerwear, 1pc Swimsuit		Clear 12", chrome swivel hook
Infant/Toddler Suit, Bottom, 2pc Swimsuit		Clear 12", chrome swivel hook, silver clips
Boys 4-8/Girl's 4-6x Dress, Top, Outerwear, 1pc Swimsuit		Clear 14", chrome swivel hook
Boys 4-8/Girl's 4-6x Suit, Bottom, 2pc Swimsuit		Clear 14", chrome swivel hook, silver clips
Girls 7-16 Dress, Top, Outerwear, 1pc Swimsuit		Clear 17", chrome swivel hook
Girls 7-16 Suit, Bottom, 2pc Swimsuit		Clear 17", chrome swivel hook, silver clips

Visit our website at <http://www.saksincorporated.com> under "Vendor Relations" and SFA for a listing of approved Saks Fifth Avenue hanger outsources. E-mail Walter Mayo at walter_mayo@s5a.com or call 212-320-4727 for more information.

GENERAL PACKING AND SHIPPING INSTRUCTIONS

To expedite your merchandise through our distribution centers, please follow these listed guidelines. Merchandise not shipped according to these specifications can experience delays in processing and loss of time on the selling floor.

- A shipment must:
 - arrive pre-distributed unless the buyer has obtained bulk (post-distributed) approval from SFA Vendor Relations.
 - Pre-distributed = One purchase order, packed by individual store location
 - Post-distributed = Packed by style/color/size
 - have cartons containing merchandise for a single purchase order. Multiple purchase orders CAN NOT be mixed or packed in a single carton.
 - be in compliance with our floor ready standards
 - follow our purchase order specifications outlined at placement
 - be sent to the address on the purchase order.
- **Ship** PO's only on the ship date through the cancel date.
- You are encouraged to use recyclable, ecologically safe packing materials whenever possible. Use packing materials to protect your product in transit so that it is received in saleable condition. (See WRINKLE PREVENTION.) However, we do not want you to be excessive with these materials (such as pins and tissue) and waste resources. This also increases processing time.
- Pack your merchandise in such a manner as to prevent concealed loss or damage in transit.
- Damaged merchandise may not be replaced without Buyer approval.
- Concealed damages or shortages, where there is no visible damage or tampering with the package, will be charged back to your company.
- **Saks Direct or saks.com vendor partners - Compliance requirements and responsibilities will remain consistent with the guidelines provided in this manual for all Saks Fifth Avenue locations.** Our objective is to receive merchandise from our vendors ready to be processed, allowing the merchandise to move expeditiously through the pick/pack/ship process for direct shipment to Saks Direct customers. Saks Direct Fulfillment Center is store #689 and is located in the Saks Fifth Avenue main Distribution Center in Aberdeen, Maryland.
- For Direct to Store shipments, please refer to the "Direct to Store" section of this manual.
- Do not seed hangers in the shipping carton. Merchandise requiring hangers must have hangers inserted into the garment itself.
- Custom or special orders should be labeled on the outside of the carton with the words or a label stating "SPECIAL ORDER."
- If you ship to both Saks Fifth Avenue DC "ship to" locations, you should ensure that you are shipping the correct stores to the correct DC locations. Separate Bills of Lading **and** ASNs should be prepared by DC location. (Refer to <http://www.saksincorporated.com> under "Vendor Relations" for the store locations assigned to each DC and our Corporate Shipping and Routing Instructions.)

CARTON SPECIFICATIONS AND REQUIREMENTS

- All merchandise should be shipped in conveyable corrugated cartons. Do not use plastic bags, jiffy bags, or ship GOH.
- Ensure that your cartons are shippable even if opened for handling by one of our distribution centers.
- Carton strength must be adequate to prevent crushing or damage during transit.
- Carton size minimum/maximum

DIMENSION	MINIMUM	MAXIMUM
Length	9"	36"
Width	6"	26"
Height	3"	30"
Weight	5 lb.	60 lb.

- All inner packages of masterpacks should be of shippable cardboard.
- Cartons must be taped closed. Do not use bands, string, or straps.
- Do not over-pack or under-pack a carton.
- Select a carton that fits the product. Allow ¼" below the top and 1/8" from the sides. Hangers must fit squarely in the carton, not at an angle.

WRINKLE PREVENTION

- Cover each garment with a clear, clean polyethylene (dry cleaning) bag to prevent soiling or wrinkling. (This is not required unless you have concerns about soiling or the fabric has wrinkling characteristics.)
- Do not over pack.
- Place tissue or cardboard between the layers of merchandise if necessary to prevent crushing and shifting of the contents.
- Pack garments flat in cartons (on an SFA approved hanger if presented hanging on our selling floor.) If they must be folded, keep the folds to a minimum.
- To prevent excess bulk and prevent shifting, bundle hangers with string or rubber bands (not tape or wire) and alternate the way you position the merchandise.
- Assist the shipper by identifying cartons with "Do Not Crush" or "This End Up" if the merchandise inside is easily crushed or wrinkled.

PALLETS

If you elect to ship on pallets, be aware that vendor will be responsible for any concealed shortage.

- Palletize by purchase order, by store. If the carton count per store is insufficient to build a complete pallet, you may combine multiple stores. Please segregate the stores by placing heavy cardboard dividers between them.
- Label each pallet with the:
 1. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)
 2. Purchase order number
 3. Department number
 4. Saks Fifth Avenue designated store number and abbreviation
 5. Number of cartons contained within the pallet

PACKING SLIPS

Saks Fifth Avenue requires all vendors provide an Advance Ship Notice/Manifest and a related GS1-128 (UCC-128) Shipping Container label with all shipments. **To discontinue sending packing slips, you must demonstrate the ability to quickly re-transmit an 856 upon request, and obtain approval from the SFA Vendor Relations Office.**

An expense offset fee will be assessed for all merchandise not in compliance with our ASN standards. Please see the Expense Offset Section of this manual.

856 ASN – ADVANCE SHIP NOTICE / MANIFEST

An ASN is an electronic packing slip that allows us to upload receipt information directly into our mainframe and eliminate data entry. When an ASN is transmitted to us in advance of the receipt of a shipment, we are able to verify the “packing slip” information against our purchase order. Upon arrival of the 100% floor ready shipment, we are able to move it directly from our inbound dock, to our outbound delivery trucks, and to the selling floor to generate sales for both Saks Fifth Avenue and our vendors.

The key to a successful cross dock program is consistently accurate and timely ASN merchandise shipments. We believe creating your ASN with the “scan and pack” method is the best way to achieve this result.

To qualify for ASN testing, you must be 100% UPC marked and provide us access to your UPC catalog on Inovis (formerly QRS).

- All shipments to Saks Fifth Avenue require an EDI 856 Advance Ship Notice/Manifest. The EDI 856 must be created following the UCC guidelines (see below) with all the required Saks Fifth Avenue segments. (See SFA EDI Mapping Standards at <http://www.saksincorporated.com> under “Vendor Relations”.)
- ***Our 856 ASN EDI requirement applies to all Direct to Store shipments with the following exceptions:***
 - Merchandise rushes shipped over night or hand delivered the same day as ordered. **(The buying office will provide you a direct to store authorization number for this exception. Do not ship without this authorization number** to prevent an offset fee exposure. Refer to the Direct to Store chart in this manual if you have questions.)
 - Consignment jewelry
 - Bridal gowns and accessories
 - Made-to-measure merchandise where UPC is not available
 - Leased operations
- Advance Ship Notice/Manifest must be transmitted **without delay, when your shipment leaves your warehouse**. An expense offset fee will be assessed for ASNs that are not received prior to receipt of goods at our distribution center(s).
- Your ASN must be a consolidated VICS 856 Advance Ship Notice/Manifest at the carton level.
- An ASN must be provided for every shipment, **BOL**, and for each of our separate Distribution facilities. On a small package carrier (FED EX, UPS), a separate 856 is required for each carton. Please be sure to include the tracking number in the REF BM segment of the ship notice on these shipments.
- A separate ASN is required for each Bill of Lading. For multiple truck load shipments, provide a unique BOL and Ship Notice for each truck load.
- **The same BOL number used on the paper or electronic BOL must match the BOL number used in the 856 REF02 segment. Both numbers are required. An expense offset fee will be assessed if either the actual BOL number is missing from an ASN or it does not match the 856 BOL.**

- The SSCC-18 serialized carton code number on any Saks Fifth Avenue GS1-128 (UCC-128) carton label must remain unique and cannot be reused or duplicated for ANY shipment for ANY Saks Fifth Avenue OPCO (i.e.: Saks Fifth Avenue, and Off 5th) for a period of a year or an expense offset fee will be assessed. The uniqueness of the SSCC-18 is controlled in the S1-S9 (serialized) section of the number, which is assigned by each vendor.
- All ASN documents must be tested and certified by our EDI Offices before going into production. **Vendors are required to notify the SFA EDI Office to start testing.** (See Contact listing.)
- 856 Advance Ship Notices must be transmitted accurately. Our Distribution centers consistently conduct audits to ensure that this is being achieved. If Saks Fifth Avenue identifies vendor errors; an expense offset fee will be assessed. (See **Vendor Quality Management** section.)
- To discontinue sending packing slips, you must be in production with ASN for that operating company, be able to re-transmit an 856 upon request, and obtain approval from the SFA Vendor Relations Office.
- If you experience system problems and can't transmit an ASN on time, contact the SFA Vendor Relations Office (see Contact list).

**** See the EDI mapping specifications at <http://www.saksincorporated.com> under "Vendor Relations" ****

INDUSTRY STANDARDS REFERENCES	
856 ASN specifications	GS1 US (formerly Uniform Code Council) "VICS EDI Ship Notice/Manifest (856) Guidelines." Phone: 1-800-543-8137, Fax: (937) 435-7317 http://www.uc-council.org/ean_ucc_system/education_support/product_catalog.html

PACKING SLIPS FOR NON-ASN AND BULK SHIPMENTS

Until you are able to send a production 856 Advance Ship Notice/Manifest, you must prepare packing slips following these guidelines:

- One packing slip per purchase order/store
- Include this information:
 1. Vendor name/address
 2. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)
 3. Purchase order number
 4. Bill of Lading number
 5. Department number
 6. Saks Fifth Avenue designated store number and abbreviation
 7. Number of cartons per store
 8. Style, color, size by store
 9. Total units by store

Insert packing lists into a removable pouch and SECURELY attach it to one carton of each purchase order. Indicate "PACKING LIST ATTACHED" on all six sides of that carton. For trailer load shipments, the pouch must be attached to the last carton loaded on the trailer. For UPS/RPS shipments, a packing list must be attached to each carton. Do not include "Packing List" in the carton count on the Bill of Lading.

For shipments via FED EX/UPS/RPS, attach a packing list directly to EACH carton.

For ALL OTHER SHIPMENTS, place packing lists PLUS a copy of the unsigned Bill of Lading into a removable pouch and securely attach it to one carton for each purchase order. Indicate "PACKING LIST ATTACHED" on all six sides of that carton. Do not include "Packing List" in the carton count on the Bill of Lading. A sample Packing List is located on the following page.

Packing Slip

ABC Vendor, Inc.
100 Vendor Lane
Vendor, NY 12345

Saks Fifth Avenue
Store# 57
SA-San Antonio

Purchase Order# 3991234
Bill of Lading# 1234
Dept# 336
Store# 57

Cartons 1

Box#	Style#	Color	Small	Med	Large	Total
1	SB2001	white	1	2	1	4
1	SB2002	black	1	2	1	4
1	SB2000	green	1	2	1	4
1	SB2000	blue	1	2	1	4
TOTAL						16

CARTON LABELING

Use a bar-coded GS1-128 (UCC-128) Shipping Container Labels on all shipments to Saks Fifth Avenue. Your GS1-128 (UCC-128) label should be associated with a valid ASN transmission. All GS1-128 (UCC-128) labels must be approved by the Corporate EDI Office prior to implementation. Any shipments received without a GS1-128 (UCC-128) will be assessed an expense offset fee.

GS1-128 (UCC-128) SHIPPING CONTAINER LABEL

To maximize the ASN opportunity, Saks Fifth Avenue is requiring a related GS1-128 (UCC-128) Shipping Container Label on all shipments to our distribution centers. The purpose of the GS1-128 (UCC-128) is to connect the physical units of a vendor's shipment with its electronic information. We do this by scanning the GS1-128 (UCC-128) label and electronically matching it to the information in our ASN file. Once this is accomplished and verified, we are able to acknowledge the shipment, validate its accuracy, eliminate the data entry, book the stock into our inventory, and send the merchandise directly to our stores.

GS1-128 (UCC-128) labels must be faxed to the SFA EDI Office for FORMAT approval.

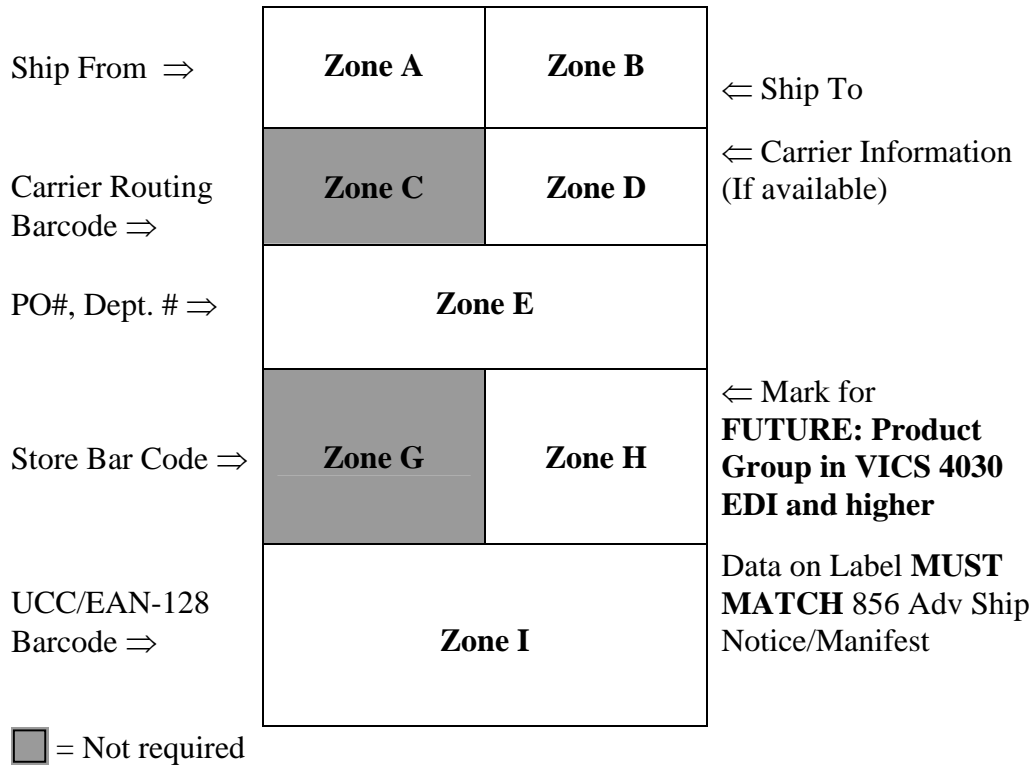
- Ensure the GS1-128 (UCC-128) label you provide meets all UCC standards (see below.) It must arrive at our DCs in a legible and scannable condition. Use "smudge-proof" ink.
- Include your GS1-128 (UCC-128) information in the related, valid ASN transmission.
- **GS1-128 (UCC-128) labels are not usable unless they are accompanied by a valid 856 ASN.**
- Required information (see **GS1-128 or UCC-128 example**):
 1. Vendor name/address
 2. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)

3. Ship to postal code
 4. Purchase order number
 5. Department number
 6. Saks Fifth Avenue designated store number (**FUTURE: VICS EDI Product Group description.**)
 7. 20 digit serial shipping container code (barcode and human readable)
- Affix your GS1-128 (UCC-128) Shipping Container Label on the longest side of the carton, not on the front. Ensure the label is placed upright (not sideways). It should be scannable, **at least an ANSI “c” grade**. Do not place it on a seam or around the corners of the carton. If your shipping carton is less than 4” in height (e.g., dress box), wrap the top of the label over (ensure the UCC/EAN-128 20 digit serialized shipping container code is positioned within band as per standard so it is scannable) **or affix it on the top of the box as per our illustration**.
 - One GS1-128 (UCC-128) barcode label per carton.
 - If your shipping carton is also displayed on the selling carton, **DO NOT COVER** the product model number, UPC code, or any other consumer identification information, with the GS1-128 (UCC-128) label.

INDUSTRY STANDARDS REFERENCES

GS1-128 (UCC-128) Labeling	GS1 US (formerly Uniform Code Council) “Application Standard for Shipping Container Codes.” 1-800-543-8137
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GS1-128 (UCC-128) SHIPPING CONTAINER LABEL (Per GS1 US guidelines.)



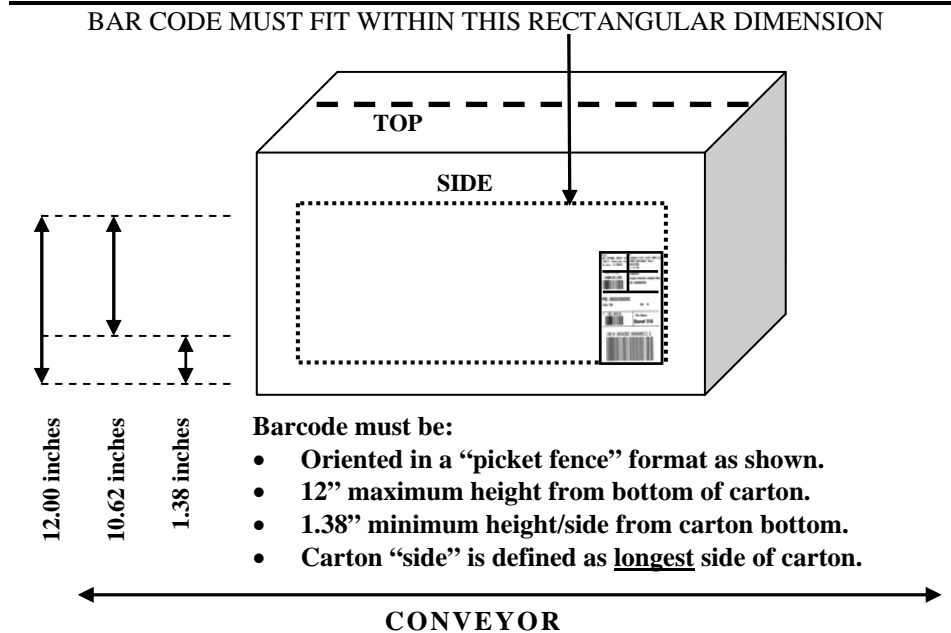
GS1-128 (UCC-128) Shipping Container Label Format and Sample

- Saks Fifth Avenue prefers an SSCC-18 (GS1-128 or UCC-128) label using subset C and printed using 20 Mil. This results in a barcode that is just over 3" wide and 1.25" tall. The actual label size should be 4" X 6".

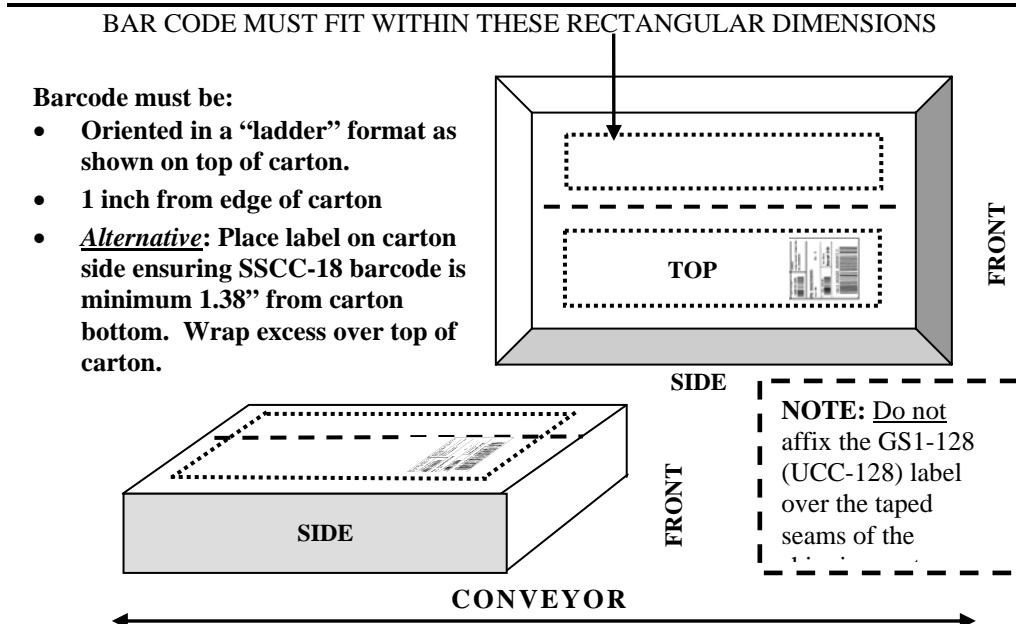
From: Vendor Name 100 Vendor Road Town, NY 12345	To: SAKS FIFTH AVENUE Hickory Ridge Dist. Center 500 Hickory Drive Aberdeen, MD 21001
SHIP TO POST (420)61103 	CARRIER FEDEX FREIGHT (FEDEX FREI B/L 2550M00501
PO: 0000208005 Dept: 169 Qty: 12	
FOR (91)0310 	For Store Store#001
(00)0 0034269 000000013 6 	

GS1-128 (UCC-128) LABEL PLACEMENT GUIDELINES

LABEL PLACEMENT FOR CARTONS 6 INCHES OR MORE IN HEIGHT



LABEL PLACEMENT FOR CARTONS LESS THAN 6 INCHES IN HEIGHT



Apply one GS1-128 (UCC-128) label per carton. Do not apply the same barcode number to multiple cartons in a shipment. Per GS1 US (formerly Uniform Code Council) “Once assigned to a shipping container, an SSCC number shall not be used to identify another shipping container for a minimum of 12 months from the time it is shipped to a trading partner.”

CARTON LABELING FOR NON-GS1-128 (UCC-128) OR BULK SHIPMENTS

- Carton labels must be positioned on the side of the carton, not the top or bottom.
- Labels must be legible and easy to read
- Pre-distributed (**by store**) shipment required information:
 1. Vendor name/address
 2. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)
 3. Purchase order number
 4. Department number
 5. Saks Fifth Avenue designated store number and abbreviation

All required purchase order and store numbers on labels must be clearly separated from numbers which are internal to vendor processing and must be at least as large as those numbers.

- Post-distributed (**bulk**) shipment required information:
 1. Vendor name/address
 2. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)
 3. Purchase order number
 4. Department number
 5. Style, color, size

All required purchase order and store numbers on labels must be clearly separated from numbers which are internal to vendor processing and must be at least as large as those numbers.

Vendor Quality Management

SHIPMENT ACCURACY

At Saks Fifth Avenue accuracy of receipts is extremely important. The details of your shipments are examined through an internal electronic audit procedure. The process certifies the accuracy of a Vendor's Advanced Shipment Notice (ASN) or Pack Slip data, providing automatic reporting to each vendor partner, bringing many productivity gains and quality improvements. Vendor Quality Management identifies specific shipment discrepancies and frequency of errors and precisely discloses what products have been received. This practice greatly improves inventory management and translates into better customer service in our stores.

Upon successful Accreditation, your floor ready shipments will be expedited directly from our inbound dock, to our outbound delivery trucks, and to the selling floor in order to increase valuable selling time, generating sales for Saks Fifth Avenue and our vendor partners.

The key to a successful Cross Dock program is consistently accurate and timely ASN merchandise shipments. We believe creating your ASN with the 'scan and pack' method is the best way to achieve this result.

Your audit information can be electronically sent to you. Our system will automatically generate and email to your company contact 'Shipment Statement' and 'Shipment Summary' reports as your merchandise is processed.

AUDITS

Saks Fifth Avenue conducts accuracy and financial audits on vendor shipments at our distribution centers. We validate shipment accuracy by comparing and verifying the electronic information transmitted in your ASN in conjunction with the associated GS1-128 (UCC-128) label (at store, style, color, size, size, quantity level) or on your invoice against the physical units of the contents of your cartons. The purpose is to determine your shipments accuracy and to receive merchandise as invoiced and ordered. If shipment integrity and/or floor ready compliance is an issue, an expense-offset fee will be assessed.

VQM STRATIFICATION

The PI (Performance Index) or accuracy of your company's shipments will be calculated weekly through a stratification process. Subsequent to this process, your company can be promoted or demoted one PI level or remain at the same level. This evaluation will be formally communicated to your company quarterly. Saks Fifth Avenue Performance Ranking consists of several levels; Platinum, Gold Tier, Silver Tier, Bronze Tier, Entry Level and Targeted Level.

Vendor Tiers			
Shipments Required to Promote	Accuracy	Audit Every N th shipment	Tier Level
1	99.9	10	Platinum Tier
2	99.7	7	Gold Tier
3	99.5	5	Silver Tier
4	98.8	3	Bronze Tier
5	98.1	1	Entry Level

If Saks Fifth Avenue identifies shipment discrepancies during the VQM audit process, an expense offset fee will be assessed. Vendors who cannot maintain an accuracy level of 98% are deemed as "Targeted". Targeted vendors will be contacted by phone and in writing that they are being targeted for audit.

VENDOR QUALITY MANAGEMENT

Op Comp	Contact	Phone #	Fax #
Saks Fifth Avenue	Vendor Quality Management s5avc@s5a.com	(410) 297-5405 (410) 297-5228	(410) 297-5599

Received Not Ordered

Saks Fifth Avenue purchase orders specify all styles, colors and sizes placed on order for each store. All vendors are expected to ship according to the issued and approved purchase order. Units, styles, colors, or sizes not listed as 'on order' for a specific store in the Saks Fifth Avenue PO system at the time of receipt are considered overages or substitutions, classified as Received Not Ordered. Received Not Ordered negatively impacts the open to buy process and makes it difficult to effectively manage the overall business.

Various circumstances and changes may impact an initial order prior to shipping. Any changes to the order must be entered into the Saks Fifth Avenue system accordingly. Vendors must request a retransmission or reprint of the adjusted order to confirm that changes have been entered as agreed. Adherence to these guidelines ensures that Saks Fifth Avenue can provide our customer with the merchandise they want in the assortments they need. **Please note that Saks Fifth Avenue reserves the right to refuse, return without vendor return authorization, or assess the appropriate expense off set fees associated with merchandise that is Received Not Ordered.**

RECEIVED NOT ORDERED

Department	Phone	Fax
SFA Vendor Relations	(212) 451-3886 (212) 451-3773 (212) 940-5095	(212) 940-5717

Partial Shipments and Back Orders

Saks Fifth Avenue accepts Partial and Back Order shipments. Do not substitute any merchandise on any order. If you can not ship as specified on the order, communicate with the buyer. Back Orders will be allowed as long as the purchase order remains approved and the order is **shipped** prior to the Ship Complete or Cancel date.

Trunk Shows

The following are general rules for every Trunk Show:

- Contact the store ahead of time. Discuss special requests/needs.
- Pre-ticket merchandise with the Saks Fifth Avenue selling price.
- Send a courtesy email to the buying office detailing the store and date.
- Allow Asset Protection to check merchandise into the store prior to the Trunk show.
- Please be prepared to provide an invoice/recap by style, description & cost at the end of the show.
- Allow Asset Protection to check merchandise out of the store after the Trunk show.
- Saks Fifth Avenue is not liable for any merchandise left in the store during or after hours unless kept in a SFA locked safe.
- Communicate comments/issues/problems with the buying office immediately so that it can be addressed.

Transportation

ROUTING AND SHIPPING GENERAL INSTRUCTIONS

- **For complete details on all Saks Fifth Avenue transportation standards please visit our website at www.saksincorporated.com under the “Vendor Relations” section.**
- All standards updates and revisions are communicated via this method. It is a vendor’s responsibility to monitor our website regularly and keep all their internal departments updated on Saks Fifth Avenue policy/procedural changes. We suggest you visit our website monthly.
- Visit our website for the most current listing of SFA store assigned numbers, abbreviations, and addresses.
- Routing and shipping instructions are additional provisions of the purchase order contract.
- Only valid purchase orders will be accepted. To minimize refused or returned shipments due to invalid purchase orders, do not ship using phone orders, worksheets, or verbal commitments.
- Shipments, for which Saks Fifth Avenue pays the freight cost, must be made “Freight Collect.” If shipments are made contrary to these instructions, the vendor will be responsible for any loss, damage, or delay claims in addition to all freight costs.
- All merchandise must be distributed, marked, and shipped as indicated on the purchase orders.
- All shipments, regardless of size, are subject to the provisions of these instructions.
- “POE”(Port of Entry) shipments, special purchases and containers; call for instructions.
- All exemptions, whether written or verbal, issued by any person or organization other than Corporate Transportation are invalid and will not be honored. Please refer to the Transportation Contacts in the front of this manual for the appropriate contact to direct your questions.
- All garments on hangers MUST be flat packed. Any GOH (Garments on Hangers) tendered hanging will result in a chargeback of all freight costs, plus a handling fee. **The only exception to our flat pack standard is for SFA merchandise.....**
 1. **Ordered specifically for our SFA NY stores 001 and 101 AND**
 2. **Shipped from vendors in the NY/NJ/PA Tri-State Commercial Zone AND**
 3. **On a Purchase Order flagged as Hanging**
- Questions relating to all EDI issues, carton markings, packing list should be directed to Corporate Vendor Compliance or refer to the appropriate vendor standards manual.

WEB TENDERING

Web Tendering, a web-based method of tendering orders, is required for shipments destined to either distribution center. It minimizes dock refusals and non-compliance chargebacks by providing the latest information on a purchase order. It does not currently apply to any direct to store shipments. Web Tendering has been the required method for all SFA routings since March 8, 2004.

- This web-based function allows shippers to
 1. Validate purchase orders prior to shipping
 2. Create and respond to requests for shipment authorization
 3. Receive e-mail routing instruction providing authorization number, carrier, shipping date, etc.
 4. Maintain their addresses, contacts, and hours of operation
- Web tendered instructions supersede any prior Saks Incorporated Shipping and Routing Instructions or directives.
- Your Shipment ID must appear on your Bill of Lading.

- Vendor requirements: Internet access
- No cost for the use of this application
- Please note: this program does not exempt shippers from possible chargebacks as listed below:
 1. Multiple same day
 2. Unapproved carrier substitution or carrier other than instructed
 3. Weight, carton count, or cube that varies +/- 10% from your web tender request
- **Web Tendered Orders With The Web Response, “Follow General Routing Instructions” Or Non-Web Tendered Orders, Should Adhere To The Following Guidelines.**
For complete details on these and all Saks Fifth Avenue transportation standards please visit our website at www.saksincorporated.com under the “Vendor Relations” section.
 1. **PACKAGE CARRIER** – 10 cartons, 120 lbs. – use FEDEX Ground.
 2. **CONSOLIDATORS/LTL Carriers** -- For all shipments that are 11 cartons or more, or 121 lbs. or more, but less than 750 cubic feet and less than 4,000 pounds. See Carrier Matrix for Consolidators or LTL Carriers and geographic designations
 3. **VOLUME SHIPMENTS** – over 4,000 lbs. or over 750 cubic feet – must have authorization. All volume shipments must be reported to corporate transportation at least three (3) working days prior to planned ship date, and at least three (3) days prior to the cancel date. Loading is the responsibility of the vendor.
 4. **AIR SHIPMENTS** -- Must have authorization from SFA Transportation. **The authorization number and actual invoice value of the merchandise must be declared on the Air Bill.**
 5. **DIRECT TO STORE SHIPMENTS** -- Must have authorization from SFA Transportation.
 6. Authorization approval is requested through our Buyer on a **ONE TIME** basis. Recycling or reusing an authorization number(s) is not allowed. **If a vendor ships without the correct authorization number or merchandise is not received within the approved time frame, they will be subject to expense offset fees.**

WEB TENDERING ASSISTANCE

Op Comp	E-mail Address	Phone #	Fax #
SFA Web Tendering Help Desk	webtendering2@saksinc.com	(410) 297-4444	(410) 297-5245

VENDOR DELIVERED MERCHANDISE

- Vendors arranging for delivery of merchandise on a cost free basis must call the appropriate location for delivery appointments.
- You must call for an appointment at least 2 days in advance of anticipated delivery and fax a copy of the signed Bill of Lading to the receiving Distribution Center at least 1 day prior to delivery. If your company prepays freight charges, you must follow these instructions completely.
- We strongly encourage you to consider the carriers listed in the CARRIER MATRIX when choosing carriers for your prepaid shipments, as any failure by your chosen carriers to perform to Saks Incorporated standards will result in a chargeback to your company.
- The CARRIER MATRIX can be found in our “Corporate Shipping and Routing Instructions” on our website at www.saksincorporated.com under the “Vendor Relations”.

BILL OF LADING

- **An electronically transmitted BOL is required. Failure to follow our authorized carrier's preferred means of receiving Bills of Lading could result in a compliance charge.**
- The carrier Bill of Lading must include the following information:
 1. All purchase order and department numbers
 2. Total number of cartons for each purchase order
 3. Total number of cartons, total weight, and total cubic feet for each shipment
 4. Correct merchandise description
 5. Complete vendor name and shipping address
 6. Authorization number for volume loads and exception, if applicable.
- A separate BOL must be written for each shipment and DC.

SFA MASTER CONSOLIDATION MANIFEST

Whenever you have Purchase Orders for two (2) or more SFA stores that are to be shipped to our SFA Distribution Centers or SFA freight consolidators, a master consolidation manifest must be completed and provided to the truck driver along with the bill of lading. Please retain a copy of the manifest for your records. An example of the master consolidation manifest is shown below:

SFA MASTER CONSOLIDATION MANIFEST – SAMPLE

FROM:	YOUR COMPANY NAME 123 YOUR STREET NAME YOUR CITY, YOUR STATE ZIP CODE					
TO:	SAKS FIFTH AVENUE 500 HICKORY DRIVE ABERDEEN, MARYLAND 21001					
VIA:	APPLICABLE TRUCKING COMPANY					
INVOICE #	STORE CODING	STORE NUMBER	P.O. NUMBER	DEPT. NUMBER	# OF CTNS/GOH	WEIGHT
11111	NY	01	1234567	111	10 CTNS	35 LBS.
22222	BH	03	1234567	111	25 CTNS	75 LBS.
33333	CC	23	1234567	111	15 CTNS	20 LBS.
TOTAL (Which Should Tie To The Bill Of Lading)					50 CTNS.	130 LBS.

Give the carrier an envelope marked 'Manifest' containing the original manifest along with the carrier's copy of the Bill of Lading. On the Bill of Lading please note 'See attached Manifest'. Retain one (1) copy of the manifest and the master Bill of Lading for future reference.

A copy of this document must be provided to your SFA Vendor Correspondence Representative upon request should they deem it necessary to complete proper research of non-payment issues.

RUSH/SPECIAL ORDERS

Orders identified by the buyer as 'Rush' are to be given preference. It is the vendor's responsibility to contact the buyer for special handling or alternate shipping method. The buyer will then review this request with the SFA Logistics Administration Department. If approved, instructions will be provided to the buyer along with a timeframe that approval is valid for.

When shipping a customer ‘special order’, confirm with the buyer that the Purchase Order type is ‘SP’. These orders should be shipped directly to the designated store location unless otherwise directed. Please indicate the name of our customer on your shipping label, bill of lading, and on your merchandise invoice, along with the valid Purchase Order number.

Custom or special orders should be labeled on the outside of the carton with the words or a label stating “SPECIAL ORDER.” Special Orders are not exempt from UPC and ASN requirements as outlined in the section entitled 856 ASN – Advance Ship Notice / Manifest. An expense-offset fee will be assessed if you ship outside your authorized routing*.

** If a vendor’s terms are prepaid freight, they are responsible for the shipment freight expense. Should the buying office instruct or agree that Saks Fifth Avenue pays freight for the special or event, a Direct to Store Authorization number and routing instructions are required. The buying office will provide this information to you. Do not contact Saks Fifth Avenue Transportation.*

DIRECT TO STORE (DIRECT DOOR) SHIPMENTS

If the buyer requests you ship a delivery Direct to Store, they will provide you a Direct to Store Authorization Number they obtain from Saks Fifth Avenue Transportation.

The only exceptions to this policy are pre-approved routing issued in writing from the Saks Fifth Avenue Transportation Office, typically for the following commodities; fine, fashion and consignment jewelry, perishable food merchandise, trunk show and special orders (including customer specific bridal gowns and accessories, personalized stationery, as well as made-to-measure merchandise – not stock orders).

- The shipment **MUST BE** received by the store by the Direct to Store authorized date or the direct to store authorization expires and an expense offset fee is assessed to the vendor.
- Direct to Store authorization numbers are valid per PO, on a **ONE TIME** shipment basis. Recycling or reusing an authorization number(s) is not allowed and will result in an offset fee being assessed to the vendor.
- SFA is unable to accommodate:
 1. A 50/50 split agreement for freight charges incurred.
 2. A reimbursement of the difference in ground vs. air charges
- If shipping to the DC, please use web-tendering instructions or pre-determined routing found in the Saks Incorporated Shipping & Routing Instructions at www.saksincorporated.com under “Vendor Relations”.

SAKS DIRECT (www.Saks.com) “DIRECT DOOR” REQUESTS

A Direct To Door shipment request for Saks Direct merchandise does not mean a change to the “ship to” address. Please continue to ship to the store #689 address at 500 Hickory Drive, Aberdeen, MD 21001. However, Direct To Door requests may result in exceptions to standard routing level and standard shipping agreement in order to expedite delivery to Saks Direct.

PROCEDURE FOR OBTAINING “DIRECT TO STORE/DOOR” AUTHORIZATION

- Vendor submits request to the buying office with purchase order number and expected delivery date. This date is used to determine if Fed Ex level of service is justified.
- Buying office forwards request to the Logistics Administration Department for approval.
- If approved, Logistics Administration requests and generates an authorization number at a Purchase Order/Store/Ship Date level.
- Logistics Administration provides the buying office with the authorization number and effective date.

The buying office provides the authorization number AND EFFECTIVE DATE to the vendor. The vendor is required to display the authorization number and the effective date on the invoice, packing lists, carton labels and bill of lading.

DIRECT TO STORE AUTHORIZATION CHART

WHEN DIRECT TO STORE AUTHORIZATION IS REQUIRED	FedEx Standard Overnight	FedEx 2 Day	FedEx Ground	USPS	Vendor Pays Freight
Type of Purchase Order or Merchandise	Afternoon Next Business Day	Afternoon 2nd Business Day	1-5 Business Days	Registered Mail	Vendor's Choice
Special Orders All stores <u>Includes:</u> Bridal, Bridal Accessories, & Made-to-Measure merchandise Corporate Gifts	Auth Required	Auth Required	NONE REQUIRED	N/A	NONE REQUIRED
Cosmetics Cosmetic Accessories Cosmetic Fragrances <i>S01 New York Store Only</i>	Auth Required	Auth Required	NONE REQUIRED	N/A	NONE REQUIRED
Fine Jewelry Women & Men's Note: USPS registered mail preferred due to insurance coverage	Auth Required	Auth Required	N/A	Auth Required	NONE REQUIRED
Fashion Jewelry – Women & Men's Consignment Jewelry	Auth Required	Auth Required	Auth Required	N/A	NONE REQUIRED
Perishable Food	Auth Required	NONE REQUIRED	NONE REQUIRED	N/A	NONE REQUIRED
All Other Purchase Orders <u>Includes:</u> Cosmetics, Cosmetic Accessories & Fragrances for stores other than S01 NY; all Foreign Orders & Foreign special orders	Auth Required	Auth Required	Auth Required	N/A	Auth Required

Logistics Administration: Yvette Miller 410-297-5646 or Yvette_Miller@s5a.com

TRANSPORTATION VENDOR CORRESPONDENCE

- All Transportation Chargeback inquiries should be made in writing, either by fax or e-mail and include the following information:
 1. Saks Fifth Avenue operating company's complete chargeback number(s).
 2. Detailed explanation of your issue.
 3. Point of contact to include: fax number, e-mail address, phone number, and address.
- Vendor disputes must be made within ninety (90) days of claim notification due to the limitation of retention of some carrier's information. State your dispute explanation and forward to SFA Transportation for research.
- Inquiries older than six (6) months may incur an expense offset fee of \$30 per aged item/claim.
- Refer to the Contact section of this manual for SFA Transportation contacts.

Accounts Payable

OUR COMPANY STRATEGY

Saks Fifth Avenue **requires the 810 Electronic Invoice** because we are committed to efficient processing and timely payment of all invoices. This can only be achieved if our vendor partners follow our established guidelines.

PAYMENT TERMS are upon receipt of merchandise or invoice, whichever is later. Due dates will be considered extended without the loss of discount until the invoice is received. Merchandise received on or after the 25th of the month will be paid as though received on the first of the following month. Additionally, merchandise which is shipped early, if accepted, will have the payment due date calculated from the “Start Ship Date” on the purchase order.

Failure to follow invoicing instructions may result in a chargeback. Violation amounts are based on the amount of additional time the error creates in Accounts Payable to process your invoices. The purpose is not to chargeback your company, but to receive invoices in the required format.

VENDOR SETUP

Vendor setup documents originate from the Saks Buying Office. The buyer will work with the vendor and Accounts Payable in order to get the proper payment information set-up in the Accounts Payable system. All new vendors to Saks Fifth Avenue are placed on a 60-day hold.

DOMESTIC VENDORS

Requirements For Conducting Business With Saks Fifth Avenue As A Domestic Vendor

“Saks Fifth Avenue will treat a supplier as a Domestic Vendor only when the order is addressed to an entity in the United States, the supplier invoices us from the United States and all payments are made within the United States. We will require that the vendor provide a domestic Tax ID number (EIN).

Domestic vendors who use foreign sources must identify their customs broker and provide any relevant government licenses (fish and wildlife/food and drug) that may be held on merchandise ordered.

The foreign source's invoice must identify the domestic vendor as the buyer and the transportation documents must name the domestic vendor as the consignee. Saks Fifth Avenue may not be shown as the consignee or as a notify party. Saks Fifth Avenue may not be shown as the ultimate consignee on customs entry documents. The domestic vendor, not Saks Fifth Avenue is the responsible party that initiates the international transaction and is entirely responsible for customs clearance.”

Saks Fifth Avenue can only purchase from a company with Landed Duty Paid (LDP) terms of sale if the vendor meets these requirements.

You must meet ALL seven requirements to be considered a DOMESTIC VENDOR.

1. Must have a physical presence and Employer Identification/Tax ID Number in the U.S.
2. Issue invoices and receive payment by check in U.S. dollars, mailed by post to physical U.S. address.
3. Handle all billing inquiries and payment issues through a U.S. office in English.
4. Supply invoices with all shipments that are printed in English in U.S. dollars with a U.S. remittance address.
5. Have a physical Return To Vendor address within the United States.
6. Fully comply with the Domestic Shipping Instructions as Indicated in the SFA Vendor Standards Manual.
7. If some or all of the products are imported, are you or a related entity the importer of record? If the answer is Yes, you must provide the following detail:
 - a. Name of customs broker
 - b. Copy of Customs Bond
 - c. Fish & Wildlife Certificate (if applicable)

INTERNATIONAL VENDORS

Please follow instructions detailed in the Saks Fifth Avenue International Vendor Standards Manual, located on our website at <http://www.saksincorporated.com> under “Vendor Relations”.

EDI 810 ELECTRONIC INVOICES

- Prior to transmitting any 810 electronic invoices to any operating company of Saks Fifth Avenue, you must be tested and certified through our SFA EDI Office at (212) 451-3602.
- Mapping specifications as well as our testing procedures can be found on our website in the FLOW EDI Mapping section at <http://www.saksincorporated.com> under “Vendor Relations/SFA.”
- A VICS Version 4010 EDI invoice is required. An offset fee will be assessed for any invoice transmissions lower/older than 4010.
- Transmitted invoices must be accurate and comply with all Saks Fifth Avenue mapping standards. Do not include information on merchandise that is back ordered or not shipped. Transmitted terms that are incorrect require manual corrections and will result in an offset assessment (effective 2/1/01)
- Invoices must be transmitted to the correct Saks Fifth Avenue mailbox.
- Do not recycle invoice numbers.
- If EDI invoices fail our edits, corrected invoices must be submitted in order to receive payment.
- Do not retransmit invoices unless instructed to do so by the Saks Fifth Avenue EDI Department.
- **One invoice per store per valid purchase order per shipment.**

PAPER (NON-810) INVOICE REQUIREMENTS

- One invoice per ship to location per valid purchase order per shipment. Each invoice must contain:
 1. Vendor name/“remit to” address
 2. Your 5 digit Saks Vendor number
 3. Invoice date (The date must be the same as your ship date. No post-dated invoices will be accepted.)
 4. Payment terms
 5. Unique numeric invoice number (up to 10 digits). This number along with a page number must appear on every page of a multi-page invoice. Do not staple multi-page invoices.
 6. Saks Fifth Avenue operating company name/address (i.e., Saks Fifth Avenue, Off 5th)
 7. Purchase order number (one PO # per invoice)
 8. Department number (3 digit)
 9. “Ship to address” including the store name and number of selling location
 10. Carton count
 11. Total cost and units per vendor style. Style number must match the purchase order. Units must be in eaches (the selling unit), not dozens or sets.
 12. Total merchandise cost of invoice in U.S. dollars. (List on last page of a multi-page invoice.)
 13. Total units invoiced. Units must be in eaches, not dozens or sets.
- Send only one original invoice. Do not recycle invoice numbers. No handwritten changes or carbon copies are acceptable. Send all paper invoices in a single envelope. Group them by purchase order and invoice date or a handling fee will be assessed.
- Invoices must be bursted and all form feed perforations must be removed prior to mailing.

- **DO NOT SEND YOUR INVOICES WITH MERCHANDISE SHIPMENTS. INVOICES SENT WITH SHIPMENTS WILL NOT BE SENT TO ACCOUNTS PAYABLE FOR PROCESSING.**
- Invoices may contain only merchandise as detailed on the Saks Fifth Avenue purchase order. Do not include any other charges.
- Loose ‘Garment on Hanger’ shipments (GOH) must state total number of Garments/Hangers on their invoice.
- Saks Fifth Avenue will not pay freight charges invoiced by vendors. Freight charges added to merchandise invoices will be charged back to your company with an expense offset fee added. Vendor invoices for freight charges will be disregarded.
- We will not pay for insurance, hanger charges, ticketing charges, special order charges, handling charges, rush charges, etc. that appear on a merchandise invoice. If Saks Fifth Avenue has agreed to pay for any charges related to your order, they must be invoiced separately and sent to the appropriate contact with a copy of the agreement.

MAIL ALL PAPER INVOICES TO

Corporate Accounts Payable/Saks Fifth Avenue
Attn: Invoice Entry Department
 P.O. Box 20040
 Jackson, MS 39289-0040

PAYMENT TO DOMESTIC VENDORS

Accounts Payable checks are issued once per week. There are no exceptions to this issuance process. All checks are dated with a Wednesday date and all invoices posted to the vendor’s trial balance as of the previous Friday and are due through the date of the check, will be included on the vendor’s check.

Unless there is an unusual circumstance, all checks and related documents are delivered to the United States Postal Service on Wednesday afternoon.

Each vendor or factor will receive:

- A check in US dollars made payable to the vendor or factor
- A remittance advice listing all invoices being paid and other items
- A charge back document (if applicable) explaining the reason for the charge

The remittance advice will display the:

- | | |
|---------------------------------|--|
| • Check number | • Check date |
| • Pay to number | • Pay to name |
| • Vendor number | • Operating division (006-SFA; 007-Off 5 th) |
| • Merchandise department number | • Document number (including type, see type below) |
| • Document date | • Gross amount |
| • Discount amount | • Net amount |
| • Grand total | |

The charge back (if applicable) document will display the:

- | | |
|---|--|
| • Vendor number | • Vendor name |
| • Check number | • Check date |
| • Charge back number (including type, see type below) | • Charge back date |
| • Amount | • Reason (internal based on a reason code) |
| • Description (message) for the vendor | • Details that pertain to the charge back |

The two alpha characters or reason code extension that follow the ten-digit document number determine the type of document. Listed below are the types with some examples:

- AC – Advertising Allowance, Demo Allowance & Contest charge
- AP – Advertising Allowance, Demo Allowance & Contest reversal
- CC – Cost Differences, Shortages and Clothing Allowance charge
- CP – Cost Differences, Shortages and Clothing Allowance reimbursement
- MC – Markdown Allowance or Cost Allowance charge
- MP – Markdown Allowance or Cost Allowance reversal
- PC – Apply a dollar hold on the account, post audit findings
- PP – Release a dollar hold, post audit reversals
- RC – Return of merchandise charge, concealed shortage in the store
- RP – Return of merchandise reversal, reversal of a concealed shortage
- SI – Standard Invoice
- TC – Transportation charge
- TP – Transportation reimbursement
- VC – Vendor Compliance charge
- VP – Vendor Compliance reimbursement
- VV – Standard Invoice violation

PURCHASE ORDER VERIFICATION

- Ensure you have a valid purchase order prior to shipping merchandise to any Saks Fifth Avenue operating company. An EDI document (850 Buyer Generated or 855 Vendor Generated) or a computer generated hard copy qualifies as a valid order.
- **Do not accept verbal commitments, phone orders, or worksheets. If you did not receive a copy of our Terms and Conditions of Purchase Order, please refer to that section in this manual. These terms apply to all purchase orders.**
- Verify all the information on our purchase order document. If the details are not accurate, contact the appropriate Saks Fifth Avenue buyer. Do not ship merchandise until you receive verification that all issues have been resolved by requesting an EDI retransmission, hard copy of the actual order, or system screen print that displays the purchase order number.

PROOF OF DELIVERY (POD) REQUESTS ON UNPAID INVOICES

To request payment on an unpaid invoice, the vendor must mail the proof of delivery along with the corresponding invoices to the appropriate address below.

A valid POD is defined as a freight bill stamped and signed by an authorized representative of the Saks Fifth Avenue operating company the shipment was designated for and a copy of the Master Consolidated Manifest. We do accept a Bill of Lading signed by the carrier as a valid form of POD, if our consolidator shipped the merchandise.

The freight bill or Bill of Lading must include:

1. Purchase order number
2. Carton count (if multiple orders, provide carton count by purchase order)
3. Saks Fifth Avenue operating company name/address (e.g., Saks fifth Avenue, Saks Off 5th)

VENDOR CORRESPONDENCE

Our goal is to process your invoice for payment in a timely and accurate manner. Non-compliance with our invoicing standards causes undue delays in the processing of your invoices. The mission of our A/P Compliance Department is to partner with our vendors and assist them in becoming fully compliant with our invoicing standards.

- Our vendors are required to use our VMS (AP internet inquiry system), which is available on our web site (vendornet.saksinc.com), for inquires about payment information and requests for chargeback copies for all divisions. Please send e-mail to April_Cleveland@saksinc.com for access. **AS OF SEPTEMBER 1, 2004, YOU ARE SUBJECT TO A \$100 PROCESSING FEE FOR PAYMENT INQUIRES WHEN YOU DO NOT USE OUR VMS.**
- To expedite your Accounts Payable inquiries, remember to include this information in your correspondence:
 1. SFA company name (Saks Fifth Avenue, Off 5th, Saks Direct)
 2. Detailed explanation of your issue
 3. Check number
 4. Operating company's document number and amount
 5. Complete name and address where a reply can be sent
- Chargeback disputes should be identified within 30 days of deduction from our check and should be communicated to Accounts Payable on a monthly basis, not accumulated for quarterly, seasonal, or annual settlements. The exception to this rule is RTV's **and shortage chargebacks**, which should be disputed within 7 months in the event a claim with the carrier needs to be filed. State your reason for your dispute in writing, attach a copy of the check remittance, and mail it to the appropriate address listed below.
- Repayment requests of unearned discount will be denied if it is determined that the delay was vendor caused (i.e., invoices sent to an incorrect address, merchandise did not agree with the purchase order, or the account is in debit balance). In addition, trade discounts will not be refunded regardless of when an invoice is paid.
- Cost differences occur when the invoice cost is greater than the purchase order cost. Our policy is to pay for merchandise at the lower of the price indicated on the purchase order or invoice. It is very important to verify all purchase orders for accuracy prior to shipping. Do not ship merchandise until you receive **a corrected copy of the purchase order.**
- Accounts in debit balance at one Saks Fifth Avenue operating company will be offset against credits to a vendor in another operating company.

ACCOUNTS PAYABLE CORRESPONDENCE ADDRESS

**Corporate Accounts Payable/Saks Fifth Avenue
Attn: Vendor Correspondence
P.O. Box 20040
Jackson, MS 39289-0040**

VENDOR INFORMATION UPDATES

To prevent delays in payment processing, assist us by keeping your file up-to-date. Notify us of an address change or any company status changes (i.e., mergers, acquisitions). Include the following information in your communication:

1. SFA operating company name you do business with (Saks Fifth Avenue, Saks Off 5th)
2. Your company name and duns number (also include any aliases)
3. Old company address and new company address (if appropriate)
4. Previous parent company name and new parent company name (if appropriate)
5. State reason for update (e.g., move, merger)
6. Effective date of change
7. Name, title, email address, and phone number of person to contact if we have questions

CONSIGNMENT JEWELRY BILLING

Direct all consignment department invoices and correspondence to

Corporate Accounts Payable/Saks Fifth Avenue
Attn: Consignment Department
 P.O. Box 20040
 Jackson, MS 39289-0040

SFA ACCOUNTS PAYABLE		
Hours: Mon – Fri 8 AM – 4:30 PM CST		
P.O. Box 20040, Jackson, MS 39289-0040		
MAIN ACCOUNTS PAYABLE PHONE: (601)968-4463 Fax (601) 968-5349		
Position	Contact	Phone
Director of Accounts Payable	Peggy Griffis	(601) 592-2959
Accounts Payable Manager	Beth Busbea	(601) 968-5347
Debit Balances, Seasonal Holds, RTV & MDA Approval		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Jackie Price	(601) 592-2992
Debit Balance- Vendors A - Z	Michele Williams	(601) 592-2861
RTV approval, Vendor Seasonal holds	Michele Williams	(601) 592-2861
Markdown allowance approval, paybacks	Michele Williams	(601) 592-2861
Vendor Correspondence for Owned Merchandise		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Kathy Smith	(601) 968-4405
Correspondence Associate - Vendor Issues A, B, C, F, H, J, K, S	Jeannie Keen	(601) 592-2856
Senior Correspondent - Vendor Issues D E G L I N O P	Brenda Hans	(601) 592-2972
Correspondence Associate - Vendor Issues M, Q, R, T, U, V, W, X, Y, Z	Sherry Terry	(601) 592-2952
Chargeback Entry (Debit & Credit Memo)		
Manager	Joy Rutledge	(601) 592-2834
Supervisor	Kathy Smith	(601) 968-4405
Internal Audit Recovery		
Manager	Joy Rutledge	(601) 592-2834
Auditor	Jackie Price	(601) 592-2992
Consignment		
Manager	Rachael Ferretti	(601) 968-5393
Supervisor	Phyllis Dunn	(601) 968-5259
Specialist for stores 1 - 39	Gretchen Watkins	(601) 968-5225
Specialist for stores 41 - 689	Judy Smith	(601) 592-2525
Vendor Adjustor A - I	Angela Harris	(601) 592-8725
Vendor Adjustor J - Z	Michel Vida Tillman	(601) 968-5303
Special Projects		
Manager	Rachael Ferretti	(601) 968-5393
Problems signing on Walker	Leola Lacey	(601) 592-8754
Vendor setups/changes	April Cleveland-Sample	(601) 360-2958
International Finance		
Manager	Michael Barnes	(601) 592-2857

Expense Offset Charges

An expense offset fee will be assessed for all merchandise not in compliance with our Vendor Standards Manual standards. The purpose is not to chargeback your company, but to achieve compliance so we can move merchandise quickly and cost effectively to the selling floor.

PACKING EXPENSE OFFSET CHARGES

Compliance Issue	Expense-offset
More than 1 PO in carton	\$5 per carton or \$150 whichever is greater

MARKING EXPENSE OFFSET CHARGES

Compliance Issue	Expense-offset
No/wrong PO on cartons	\$5 per carton or \$150 whichever is greater
No/wrong store on cartons	\$150 per PO shipment

FLOOR READY EXPENSE OFFSET CHARGES

Compliance Issue	Expense-offset
No UPC/EAN tickets on goods	\$25 per shipment plus .10 per unit
No retail price on UPC/EAN tickets	\$25 per shipment plus .05 per unit
Wrong UPC tickets	\$25 per shipment plus .05 per unit
Wrong retail price on ticket	\$25 per shipment plus .05 per unit
UPC ticket affixed improperly	\$25 per shipment plus .05 per unit
Vendor style or PID missing on ticket	\$25 per shipment plus .05 per unit
UPC non-scannable / format	\$25 per shipment plus .05 per unit
UPC not on Inovis Catalogue	\$250 per PO shipment plus \$5 per UPC correction
No/wrong hangers	\$25 per shipment plus .39 per item
Late ASN (Advance Ship Notice/856 EDI)	\$5 per carton
No/wrong BOL on ASN (Advance Ship Notice/856 EDI)	\$150 per PO shipment
No ASN and SSCC-18 (UCC-128) label	\$10 per carton
SSCC-18 (UCC-128) label located incorrectly	\$5 per carton
SSCC-18 (UCC-128) number reused within a year for Saks Inc shipments	\$500 per shipment

PACKING SLIP EXPENSE OFFSET CHARGES

Compliance Issue	Expense-offset
No packing slip (exempted if you provide ASN's)	\$5 per carton or \$150 whichever is greater
Packing slip not on carton (exempted if you provide ASN's)	\$150 per PO shipment

UNAUTHORIZED CHANGES TO SHIPMENT

Compliance Issue	Expense-offset
Shipped late	\$250 per PO shipment
PO cancelled	\$250 per PO shipment
Overage to PO at order level or Received Not Ordered	Minimum \$25 and ½ cost price of goods over shipped, per incident

SHIPPING EXPENSE OFFSET CHARGES

Compliance Issue	Expense-offset
Cartons per PO# not detailed on BOL	\$150 per PO shipment
No or wrong PO# on BOL	\$150 per PO shipment
Unauthorized direct to store	\$60 plus full freight charges (effective 5/01/06)
Multiple same day shipments	\$60 plus full freight charges (effective 05/01/06)
Unauthorized air shipment	\$60 plus full freight charges (effective 05/01/06)
Unapproved carrier substitution	\$50 plus full freight charges
Exceeds package carrier carton limit	\$60 plus full freight charges (effective 05/01/06)
Exceeds package carrier weight limit	\$60 plus full freight charges (effective 05/01/06)
FOB point violation	\$50 plus full freight charges
Failure to follow routing instructions	Per incident
Unauthorized accessorial charge	\$60 + full freight charges (effective 05/01/06)

AUDITING OFFSET CHARGES

Compliance Issue	Expense-offset
Audit variance	\$25 per PO shipment

ACCOUNTS PAYABLE CHARGES

Compliance Issue	Expense-offset
Incorrect Invoice Format	
<ul style="list-style-type: none"> Missing or wrong: Vendor name, your Saks 5 digit number, and remit to address 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Invoice date 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Payment terms 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Purchase order number 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Department number 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: 3 digit store number and/or 2 character store alpha code 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Cost per unit and extended cost per style (unit as detailed on PO) 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Total units invoiced (unit as detailed on PO) 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Total cost of invoice in U.S. dollars 	\$25 per invoice / \$150 cap per event
<ul style="list-style-type: none"> Missing or wrong: Invoiced carton count 	\$25 per invoice / \$150 cap per event
Unreadable document	\$25 per invoice / \$150 cap per event
An 810 electronic invoice not provided or is unusable. (An ASN vendor requirement.)	\$25 per invoice / \$150 cap per event
Continuing to mail paper invoices after conversion to 810 electronic invoicing	\$25 per invoice / \$150 cap per event
Duplicate or recycled 810 or paper invoices sent	\$25 per invoice / \$150 cap per event
Incorrect or missing segment value on 810 invoice	\$25 per invoice / \$150 cap per event
Freight, handling or other miscellaneous charges on invoice, 810 or paper invoices.	\$25 per invoice / \$150 cap per event

DISTRIBUTION COMPLIANCE –Packing/floor ready issues, or “VC” coded offset fees

Op Co	Contact	Phone #	Fax #
Saks Fifth Avenue	Vendor Relations	(212) 451-3886 (212) 451-3773 (212) 940-5095	(212) 940-5717

TRANSPORTATION COMPLIANCE –Carrier issues or “TC” coded offset fees

Op Co	Contact	Phone #	Fax #
Saks Fifth Avenue	SFA Freight Coordinator SFATraffic@ saksinc.com	(410) 297-4444	(410) 297-5245

ACCOUNTS PAYABLE COMPLIANCE – Invoicing issues or all remaining fees

Op Co	Contact	Phone #
Corporate AP Jackson, MS	GiGi Donaldson	(601) 592-8611

WEB BASED VENDOR PROGRAMS – Passwords and training

Program	Phone #	Fax #
Vendornet Vendor Compliance System (VCS) (Logistics offset fees) vendorrelationsny@saksinc.com	(212) 451-3886 (212) 451-3811 (212) 940-5095	(212) 940-5717
Web Tendering (Transportation - PO tendering for shipment) webtendering2@saksinc.com	(410) 297-4444	(410) 297-5245
Vendornet VMS System (Accounts Payable)	(601) 360-2958	

Appendix

EDI TERMINOLOGY

ASN

Advance Ship Notice, electronic packing slip, or “856”.

AUTOMATIC REPLENISHMENT

The ability to reorder merchandise by sending cash register or POS (point of sale) sales information to a vendor and having the merchandise replenished immediately via EDI transactions.

EAN

European Article Number – a 13 digit vendor number, the European equivalent of a UPC code

EDI

All-inclusive phase for Electronic Data Interchange transactions. Ability to transmit EDI transaction types varies with each vendor.

FLOOR READY

Term referring to merchandise that is received ready to be placed directly on the selling floor.

MANUFACTURER ID

The first six digits of the UPC number. This ID may be used to identify the manufacturer. A single manufacturer may have multiple manufacturer Ids.

PID

Product information number or vendor style number.

SKU

Stock keeping unit

GS1-128 (UCC-128)

Scannable bar-coded label with unique SSCC 18 serialized carton code, located on the outside of a shipping carton.

UPC

Universal Product Code – a 12 digit unique vendor “SKU” number. The first six digits are a manufacturer identifier number, the next 5 digits are a specific product identifier (SKU), and the last digit is a check digit.

VAN

Value Added Network – the designated communication network used to transmit and receive EDI transactions.

VICS

Voluntary Inter-industry Commerce Solutions for EDI transactions established by GS1 US (formerly Uniform Code Council).

VMR

Vendor Managed Replenishment – vendor “Basic Stock” system that automatically creates purchase orders and replenishes merchandise based on sales and model information via EDI 852 sales and 855 Reverse Purchase Order transactions.

Electronic Data Interchange (EDI) Transaction Sets

810 – Electronic invoice

832 – Electronic UPC catalog

850 – Electronic purchase order

852 – Sales transmission to the vendor

855 – Reverse or Vendor Generated PO

856 – ASN or Advance Ship Notice



FLOOR READY "VENDOR CAPABILITIES" FORM

Listed below are the Vendor Floor Ready standards for Saks Fifth Avenue.

IT IS IMPORTANT THIS INFORMATION IS ACCURATE. PLEASE VERIFY WITH YOUR EDI ORGANIZATION.

If you are unable to comply with a standard(s) below and wish to be considered for a temporary exemption, please provide us with an implementation date. **The SFA Vendor Relations Office is the ONLY authorized source for temporary exemptions from FR expense offset charges. No other agreements will be honored.**

	(check one) <u>Yes</u>	<u>No</u>	First ship date	/	/
			<u>N/A</u>	<u>Implementation Date</u>	<u>Justification</u>
New Vendor	_____	_____	_____	_____	_____
Inovis (QRS) Catalogue	_____	_____	_____	_____	_____
UPC Marking	_____	_____	_____	_____	_____
850 Elec PO	_____	_____	_____	_____	_____
856 Adv Ship Notice	_____	_____	_____	_____	_____
GS1-128 (UCC-128) Ship Label	_____	_____	_____	_____	_____
Saks Hangers	_____	_____	_____	_____	_____
Retail Pricing MSRP or Saks Inc. "Dual" Retail Pricing <i>"Value" Off 5th only</i>	_____	_____	_____	_____	_____
VICS Version	_____	_____	_____	_____	_____

What Network (Van) do you use? _____ Are you an import agent? Private Label vendor?

What SFA operating divisions are currently purchasing from you?
 Saks Fifth Avenue Off 5th Saks Direct

Vendor Name: _____

Street Address: _____

City/State/Zip: _____

Other Alias(es)/Label Names: _____

EDI Contact: _____

Phone: _____ Fax: _____

E-mail: _____

Please include A COPY OF YOUR COMPANY LETTERHEAD with this form and fax to:

Address	Fax #
SFA Vendor Relations Office, 12 East 49 th Street - 16 th Floor, New York, NY 10017	(212) 940-5717

Additional Comments: _____



RETAIL PRICE TICKETING GUIDE

REQUIREMENTS BY FAMILY OF BUSINESS

REQUIRES RETAIL PRICE	REQUIRES RETAIL PRICE
<p style="text-align: center;"><u>Apparel</u></p> <p>Women’s Apparel Infants and Children’s Apparel Boys and Men’s Apparel All Coats and Outerwear All Swimwear Intimate Apparel</p> <p style="text-align: center;"><u>Accessories/Cosmetics</u></p> <p>Women’s/Men’s/Children’s Accessories Jewelry Hosiery Men’s Furnishings Cosmetics Accessories Cosmetics PWP’s Off 5th Shoes (See NOTES for Off 5th ticketing req.)</p> <p style="text-align: center;"><u>Tabletop/Gifts</u></p> <p>Christmas Trim-a-Home Decorative Accessories/Gifts Serveware/Holloware</p> <p style="text-align: center;"><u>Housewares</u></p> <p>Cutlery/Gadgets Cookware Dinnerware/Flatware (Housewares) Housewares Accessories Personal Care/Home Spa/Small Electrics</p> <p style="text-align: center;"><u>Home Textiles</u></p> <p>Bath Accessories Decorative Pillows</p> <p style="text-align: center;"><u>Smallwares/Misc</u></p> <p>Luggage Stationery (except Personalized) Gift Wrap/Cards Puzzles/Books/Calendars Picture Frames Packaged Foods/Candy Electronic Accessories Furniture Music/Video Media Office/Desk Accessories</p>	<p style="text-align: center;"><u>Tabletop</u></p> <p>China/Flatware place settings Crystal stemware Tabletop open stock</p> <p style="text-align: center;"><u>Home Store</u></p> <p>Bedding Bed Linens Furniture Lamps Pillows Rugs Table Linens Towels</p> <p style="text-align: center;">REQUIRES UPC MARKING, DOES <u>NOT</u> REQUIRE RETAIL PRICE</p> <p>Cosmetics (Fragrances & Treatments) (includes GWP’s, testers, and collateral) Full Line SFA Shoes Personalized Stationery</p> <p><u>NOTE:</u></p> <ul style="list-style-type: none"> • Vendors may opt to use a SFA retail price or manufacturer’s suggested retail price. • Cosmetic PWP’s and Accessories require a UPC code and retail price. • <u>All Off 5th Price Tickets</u> Must contain dual retail, MSRP (also referred to as ‘Value’) retail, and the Off 5th selling retail provided to you by your Off 5th buying office. <ul style="list-style-type: none"> ○ The MSRP or Value retail should be listed above the Off 5th retail price. ○ Footwear for Off 5th must be ticketed with dual retail UPC/EAN or SKU tickets on the bottom of the right shoe.

All merchandise shipped to Saks Fifth Avenue requires an industry standard “UPC A” or EAN barcode ticket. Follow the “Saks Fifth Avenue Ticket Placement Guidelines” and GS1 (formerly Uniform Code Council) UPC ticket format and affix our retail in Zone 6 or a Manufacturer’s Suggested Retail Price (MSRP) in Zone 7.

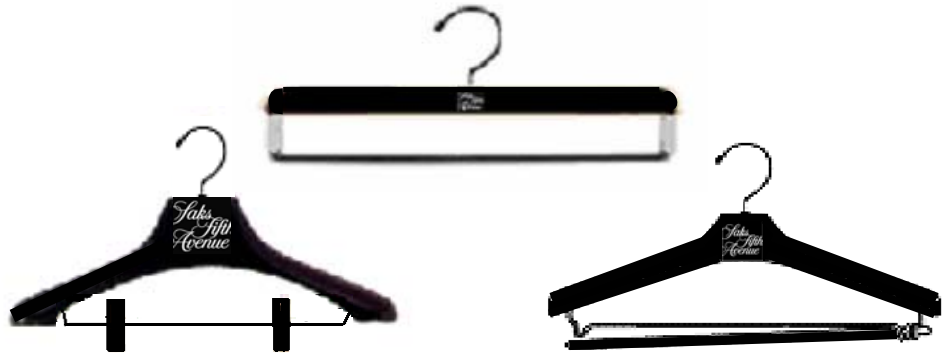
If you have questions on pricing requirements, please contact the SFA Vendor Relations Office at (212) 940-5589 (phone) or (212) 940-5717 (fax).



NOTE: All Off 5th Price Tickets Must contain dual retail, MSRP (also referred to as 'Value') retail, and the Off 5th selling retail provided to you by your Off 5th buying office. The MSRP or "Value" retail should be listed above the Off 5th retail price.

TICKET PLACEMENT GUIDELINES

Women's /Children's Apparel	UPC	Retail	Placement Instructions
Jackets, Sweaters, Blouses, Dresses	X	X	Swift-a-tach in the neck label preferably, top of left underarm.
Skirts, Pants, Shorts, Jeans, Denim	X	X	Swift-a-tach in the label or at top left side seam, near waistband.
Bras, Lingerie, Panties, Half Slips	X	X	Swift-a-tach in the label.
Bathing Suits	X	X	Swift-a-tach in the label or secure-a-tach on the left strap.
Men's Apparel			
Sweater, Knit Shirts, Swimsuits	X	X	Swift-a-tach in the label.
Dress Shirts	X	X	Swift-a-tach near a buttonhole of the placket of the shirt or secure-a-tach through a button hole on the bottom of the packaged shirt when the shirt is folded and pinned.
Pants, Shorts	X	X	Swift-a-tach in the label or at top left side seam, near waistband.
Jackets, Suits & Coats	X	X	Swift-a-tach under left lapel or secure-a-tach with a continuous loop through the button hole in the jacket.
Robes	X	X	Swift-a-tach in label preferably or at the top of the left underarm.
Underwear	X	X	Self-adhesive gum label front upper right.
Accessories			
Handbags and, Small Leather Goods	X	X	Swift-a-tach through an inside fabric seam or pocket, alternately secure-a-tach with a continuous loop through a zipper pull, and where the ticket can be tucked or hidden from view.
Gloves	X	X	Swift-a-tach in the label.
Panty Hose	X	X	Self-adhesive gum label upper right hand corner.
Socks	X	X	Self-adhesive gum label on vendor label.
Men's Belts	X	X	Use industry belt ticket sewn into buckle end of belt or secure-a-tach a hang ticket with a continuous loop in the hole beneath but closest to the buckle.
Women's Belts	X	X	Use industry belt ticket sewn into buckle end of belt or secure-a-tach a hang ticket with a continuous loop in the hole beneath but closest to the buckle.
Scarves, Handkerchiefs	X	X	Swift-a-tach in label.
Umbrellas	X	X	Swift-a-tach on handle or closure.
Jewelry/Sunglasses	X	X	Rattail label attached near jewelry clasp or on the right arm of sunglass closest to face of sunglass.
Shoes -Full Line	X		Self-adhesive gum label horizontally on face label of the box.
Shoes - Off 5th	X	X	Self Adhesive gum label ticketed with dual retail UPC/EAN or SKU tickets on the bottom of the right shoe.
Miscellaneous			
Cosmetics – Fragrances, Treatments, GWP's, testers, collateral; Personalized Stationery	X		UPC placement normally determined by manufacturer. Prefer on back at bottom.
Cosmetics – Accessories, PWP's; Photo Albums, Books, Music, Picture Frames, Food Gift Items	X	X	Self-adhesive gum label on back at bottom, preferably adjacent to the UPC code.
Layette Items	X	X	Self-adhesive gum label front upper right.
Baby Comforters, Bumpers, Etc	X	X	Swift-a-tach in label.
Glass Art, Bar Ware, Stem Ware, Dinner Ware	X	X	Self-adhesive gum label on bottom of <u>individually sold items</u> or on the back at bottom of <u>items sold in packaging or in sets</u> , preferably adjacent to the UPC code.
Furniture	X	X	Swift-a-tach hang tag securely to item.



SFA SCRIPT LOGO

SPECIALTY BLACK HANGER OUTSOURCES

Below are the **ONLY** vendors that are authorized to produce SFA LOGO specialty hangers. These are the only vendors that have been officially given approved SFA Logo artwork files/documentation to be able to reproduce our logo on the hangers that they produce for us. Any other vendors have obtained the SFA Logo artwork through unauthorized sources and are in effect illegally “counterfeiting” our trademark.

Beverly Coat Hanger Co., Inc.

1215 Fairfax Avenue
San Francisco, CA 94124
Contact: Veronica Oropeza
Phone: (415) 550-0105
Fax: (415) 550-6405

www.beverlyhangers.com

Hanger Corporation

7920 Alabama Avenue
Canoga Park, CA 91304
Contact : Alan Schultz
Phone : (818) 888-9990
Fax : (818) 888-2817

www.hangercorp.com

J& L Products Inc.

PO Box 301
Greenvale, NY 11548
Contact: Marty Baum
Phone: (516) 621-3400
Fax: (516) 626-1684

Email:

customerservice@JandLProducts.com

NOTE: The Saks Fifth Avenue buyer will communicate to you if you are a part of the specialty hanger program.

WOVEN LABEL PROGRAM SAMPLES

Saks Fifth Avenue

New Woven Label Program

NEW SFA
Script logo
required as of
Spring 2007.



Label SFA-WL-1



Label SFA-WL-2



Label SFA-WL-3



Label SFA-WL-4



Label SFA-WL-5



Label SFA-WL-55



Label SFA-WL-6

For more information on ordering SAKS FIFTH AVENUE woven labels, contact DM LABEL personnel.

CONTACT VICTORIA HIDALGO
Tel: 212-725-3530
Fax: 212-532-9667
vicki.hidalgo@dmilabel.com

DM LABEL NY
3 E. 28th St
New York, NY 10016

CONTACT HEIDI TING
Tel: 886-2-29092201 x 334
Fax: 886-2-29097722
heiditing@dmilabel.com

DM LABEL TAIWAN
Dah Mei Silk Weaving Factory
104, Min Chi Road, Sec. 1
Taishan Town, Taipei Hsien
243, Taiwan, R.O.C.



PLEASE HELP US UPDATE OUR RECORDS!

Vendor Name: _____

Parent Company: _____

Street Address: _____

City/State/Zip: _____

DBA / Alias(es) / Label Names: _____

Licensee Names: _____

EDI Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Floor Ready Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Vendor Compliance Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Accounts Payable Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Transportation Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Please include A COPY OF YOUR COMPANY LETTERHEAD with this information and fax to:

Address	E-mail	Fax #
Saks Fifth Avenue Vendor Relations 12 East 49 th Street – 16 th floor New York, NY 10017	vendorrelationsny@saksinc.com	(212) 940-5717

OVERVIEW OF PAST REVISIONS – LAST 12 MONTHS

April 12, 2007		
Section	Page	Description
All	All	
All sections	All	<ul style="list-style-type: none"> <input type="checkbox"/> Added red font to new revisions. Deleted the red font from the changes from the prior (March 2007) publication. <input type="checkbox"/> Formatting changes
Saks Fifth Avenue Contacts	6-8	<ul style="list-style-type: none"> <input type="checkbox"/> Updated contact names and phone numbers in the Contact section as well as references throughout the VSM document. <input type="checkbox"/> Note: SFA Corporate Transportation will assume the Web Tendering vendor support as of April 2, 2007. The Saks Incorporated Vendor Relations/Web Tendering office in Des Moines, IA will be closed and eliminated in April 2007.
Distribution	17	<input type="checkbox"/> Updated Automatic Returns Policy
	21	<input type="checkbox"/> <u>OFF 5TH TICKETING FORMAT</u> – “Compare At” term has been changed to “Value”. “Compare At” is no longer an acceptable price comparison reference.
	23	<input type="checkbox"/> <u>SFA APPROVED STANDARD PLASTIC HANGER PROGRAM</u> – Effective March 22, 2007 and required as of July 1, 2007. <ul style="list-style-type: none"> <input type="checkbox"/> BLACK metal hooks/bars and black plastic clips are now required on the SFA Women’s and Men’s (Off 5th only) “plain/no logo” standard black plastic hangers. Chrome hooks, bars, or clips are no longer acceptable on the Women’s and Men’s (Off 5th only) hangers. The hanger profiles and black matte finish have not changed. <input type="checkbox"/> The clear Intimate hanger has changed to an all black plastic, matte finish version. <p>NOTE: No changes to the clear Children's hanger program.</p>
	34	<input type="checkbox"/> Updated Received Not Ordered Policy
Appendix		

March, 2007

Section	Page	Description
All	All	<ul style="list-style-type: none"> ❑ Saks Fifth Avenue logos updated to new script design throughout all the VSM manual and vendor Appendix forms. ❑ All Saks Fifth Avenue Enterprises or SFAE references revised to Saks Fifth Avenue or SFA.
All sections	All	<ul style="list-style-type: none"> ❑ Added red font to new revisions. Deleted the red font from the changes from the prior (October 5 & September 16, 2006) publication.
Saks Fifth Avenue Contacts	6-8	<ul style="list-style-type: none"> ❑ Updated contact names and phone numbers in the Contact section as well as references throughout the VSM document. ❑ Note: SFA Corporate Transportation will assume the Web Tendering vendor support as of April 2, 2007. The Saks Incorporated Vendor Relations/Web Tendering office in Des Moines, IA will be closed and eliminated in April 2007.
Distribution	21	<ul style="list-style-type: none"> ❑ <u>OFF 5TH TICKETING FORMAT</u> – “Compare At” term has been changed to “Value”. “Compare At” is no longer an acceptable price comparison reference.
	23	<ul style="list-style-type: none"> ❑ <u>SFA APPROVED STANDARD PLASTIC HANGER PROGRAM</u> – Effective March 22, 2007 and required as of July 1, 2007. <ul style="list-style-type: none"> ○ BLACK metal hooks/bars and black plastic clips are now required on the SFA Women’s and Men’s (Off 5th only) “plain/no logo” standard black plastic hangers. <u>Chrome hooks, bars, or clips are no longer acceptable on the Women’s and Men’s (Off 5th only) hangers.</u> The hanger profiles and black matte finish have not changed. ○ The clear Intimate hanger has changed to an all black plastic, matte finish version. ○ NOTE: No changes to the clear Children's hanger program.
	30	<ul style="list-style-type: none"> ❑ GS1-128 (formerly UCC-128) - Deleted “not required by Saks Incorporated” in Zone G Store Bar Code since gray shading already indicates it. Zone G continues not to be required at SFA.
Transportation	36	<ul style="list-style-type: none"> ❑ Edited to be consistent with the Feb 22, 2007 release of Saks Inc. “Shipping and Routing Instructions.” <ul style="list-style-type: none"> ○ <u>PACKAGE CARRIER</u> – Details reworded for clarification. ○ <u>CONSOLIDATORS/LTL CARRIERS</u> – Cubic feet reduced from “less than 1,000” to “less than 750” cubic feet. Pounds lowered from less than 5,000 to 4,000. ○ <u>VOLUME SHIPMENTS</u> – Lowered from “Over 5,000 lbs. or over 1,000” to “Over 4,000 lbs or over 750 cubic feet.”
Appendix	54	<ul style="list-style-type: none"> ❑ Added Specialty Hanger information with new SFA script logo and vendor website addresses.
	55	<ul style="list-style-type: none"> ❑ Updated Woven Label program with the new SFA Script logo samples and outsource information.

NOTE: Page numbers may vary slightly from current document due to later Vendor Standards Manual revisions.

OCTOBER 5, 2006

Section	Page	Description
Saks Support Group (SSG) Contacts	6-8, 45	☐ Updated contact names and numbers due to organizational changes.
SEPTEMBER 14, 2006		
All sections	All	☐ Added red font to new revisions.
Saks Support Group (SSG) Contact List	6-8	☐ Updated contact names and numbers due to several upcoming organizational changes within the SSG support teams. Please note the effective dates of each change since they differ by SSG area. In AP, there are differences by functions.
Vendor Relations	All	☐ <u>Effective Sept. 18, 2006</u> – The Vendor Relations responsibility will transition from Saks Inc. Corporate Vendor Relations (VR) in Des Moines, IA to SFAE Vendor Relations in New York City. This will include the areas of Floor Ready, EDI, and Vendor Compliance (distribution center and packing related issues). Corporate VR will downsize during EOM September - October but continue to support Parisian for vendor relations and Web Tendering training/inquiries for all of Saks Inc. vendors.
Transportation	All	☐ <u>Effective Monday, October 2, 2006</u> – The Volume Shipment and Exception Routing responsibilities will transition from Saks Inc. Corporate Transportation to SFAE Transportation. Corporate Transportation will downsize EOM September - October but continue to support Parisian’s transportation needs.
Accounts Payable	All	☐ <u>Effective Sept. 18, 2006</u> –All merchandise accounts payable functions (invoice entry/matching, vendor maintenance, vendor correspondence, etc.) with the exception of Consignment & International Finance will be consolidated into the Saks Inc. Corporate Accounts Payable department in Jackson, MS. ☐ <u>Effective Monday, October 2, 2006</u> - All SFAE Consignment & International Finance functions will be transitioned to Saks Inc. Accounts Payable in Jackson, MS.
Distribution	29-32	☐ Referenced “UCC-128” shipping container label to new “GS1-128” name.
Accounts Payable	42, 44, 45	☐ Changed AP paper invoice, correspondence, and jewelry consignment mailing addresses to P.O. Box 20040, Jackson, MS 39289-0040
Appendix	49	☐ <u>EDI Terminology</u> - Updated “UCC-128” shipping container label to new “GS1-128” name.
	50	☐ <u>Vendor Capabilities form</u> – Deleted all Saks Department Store Group (SDSG) references.
	51	☐ <u>Retail Price Ticketing Guide</u> – Changed Corporate Floor Ready reference information to SFAE Vendor Relations.
	55	☐ <u>Vendor information update form</u> - Changed Corporate Floor Ready reference information to SFAE Vendor Relations.

AUGUST 2006

Section	Page	Description
All sections	All	<input type="checkbox"/> Added red font to new revisions.
Technology Requirements	9	<input type="checkbox"/> Clarification on “Ship Date”, d “Cancel Date” and “Receipt Date” definitions. “Ship Date” / “start delivery date” is the first day receipts are allowed for the Purchase Order. “Cancel Date” is the last day receipts are allowed for the Purchase Order. “Receipt Date” <u>differs with the mode of transportation.</u> <ul style="list-style-type: none"> o If merchandise is shipped using a preferred carrier on Saks’ Carrier Matrix (found in the Routing and Transportation Manual), the receipt date is the day it was picked up by the carrier. o If the merchandise is shipped per the vendor’s carrier of choice, the receipt date is the day the merchandise was received at the distribution center or store for direct-to-store shipments.
	10	<input type="checkbox"/> Added “Tickets should be printed in English.” to Product ID bullet. <input type="checkbox"/> Ticketing clarification – “Collateral such as display fixtures, vendor brochures, or cosmetic testers must be assigned UPC codes, included in your UPC catalog, and all EDI transactions. Cosmetic testers should be assigned a different, unique UPC from the actual product. UPC marking is required on all collateral, but retail pricing is not required.”
Distribution	23	<input type="checkbox"/> <u>The black 14” chrome swivel hook bottom has been deleted from the SFA hanger program. Effective November 1, 2006, all standard pants and skirts will require the black 17” chrome swivel hook suit hanger. This applies to any area in both Women’s and Men’s in Full Line and Off 5th where the SFAE Hanger Program is required.</u>
Transportation	36	<input type="checkbox"/> PACKAGE CARRIER – 10 cartons or less and 120 lbs. or less <input type="checkbox"/> CONSOLIDATED/LTD CARRIERS - 11 cartons or more, or 121 lbs. or more
Appendix – EDI Terminology	49	<input type="checkbox"/> Updated VICS or “Voluntary Interindustry Commerce Standards” to <u>Voluntary Interindustry Commerce Solutions</u> (VICS revised - Spring 2006)
Appendix – Ticket Placement Guidelines	52	<input type="checkbox"/> Clarification on Women’s/Men’s pants, shorts, skirts, jeans, denim – changed from “inseam” to top left <u>side seam, near waistband</u> .
Appendix –Specialty Black Hanger Outsources	53	<input type="checkbox"/> New - Ordering information for SFAE logo specialty black hangers. NOTE: The Saks Fifth Avenue buyer will communicate to you if you are a part of the specialty hanger program.
Appendix – Woven Label Program	54	<input type="checkbox"/> Added alert - A new woven label program is planned to be released sometime Fall 2006.

