

# NORDSTROM

January 4, 2006

## **Nordstrom Suppliers**

Re: Change in Purchase Order Violation Charges

ATTN: Customer Service and Accounts Receivable Managers

As part of our ongoing merchandising and logistics strategy, we will be changing our purchase order violation policies.

Effective January 4, 2006, Nordstrom will implement revised expense offset charges for purchase order violations, for all shipments sent on or after this date.

<b>Compliance Issue</b>	<b>Expense Offset</b>
Unordered merchandise and received	\$150 per shipment <ul style="list-style-type: none"><li>• Plus \$12.50 per store</li></ul>
Unordered merchandise and returned to supplier	\$100 per shipment <ul style="list-style-type: none"><li>• Plus \$12.50 per store</li></ul>

If the merchandise is accepted there is a non-compliance chargeback against the PO. If the merchandise is returned to you, then there will be a separate claim against the invoice and a non-compliance chargeback against the PO.

All unordered merchandise returned to our suppliers will be shipped without prior return authorization.

If the error type states "SNOPO" this means that the SKU was not on the PO.

If the error type states "Distro Error" this means that the particular SKU was not allocated for that store.

If the error type states "Exceeds PO" this means we received more units than were on the PO.

If you have any questions in regards to this policy, please refer to our online supplier compliance manual at [www.nordstromsupplier.com](http://www.nordstromsupplier.com)

Email [cmio.chargebacks@nordstrom.com](mailto:cmio.chargebacks@nordstrom.com) for Claims Compliance.

Sincerely,

Nordstrom, Inc.