

Dear Nordstrom Supplier,

As a part of our merchandising and logistics strategy, Nordstrom has adopted an EDI/UPC program that will be the standard for the procurement and payment processes. By implementing EDI and industry standard guidelines your merchandise will be expedited to the selling floor, resulting in improved customer service and increased sales.

Nordstrom will initiate this process by having our third party provider QRS contact you within the next few days. You will receive an email invitation from compliancelink@qrs.com to begin testing Nordstrom's EDI documents. It is important that you read this email. Prior to receiving contact from QRS, please begin to evaluate your company's needs and options. You can obtain your UCC block manufacturing ID by visiting the UC Council's website at www.uc-council.org or calling 1 800-543-8137. (It typically takes two weeks to receive your UCC ID). The Nordstrom Supplier Compliance Manual detailing our supplier requirements is available on our website www.nordstromsupplier.com. This guideline applies to Nordstrom Full Line and Rack store processing only. Nordstrom.com maintains additional compliance requirements to support their Direct to Consumer business model.

We understand for many of you this may be a substantial change in your operating procedures, while for others, this is standard. To ensure your success we have two means of implementation:

- Use your own internal resources to develop an integrated solution, or
- Utilize Nordstrom's recommended third party service provider:
QRS - 1-800-UPC-TALK or other Service Bureaus (listed under FAQ at www.nordstromsupplier.com)

Nordstrom's third party provider, QRS, will assist our suppliers in the set-up process. Your company will receive assistance with UPC assignment and management, education on EDI and browser-based web-site options, fax and keying services and testing of processes.

Within 60 days of QRS emailing you:

- You must have your UPC catalog (832) loaded onto the QRS Catalogue.
- You must UPC bar-code merchandise.
- You must be able to receive an electronic purchase order (PO/850) and return an acknowledgement of receipt.
- You must send consolidated electronic invoices (810) if you are currently not sending them.
- You must generate an electronic advance shipment notification (ASN/856)
- You must label cartons with a related UCC-128 carton label.

As you may know, these are industry standard practices. Non-compliance will result in additional processing and will delay your merchandise from arriving at our stores. We have an expense-offset policy, consistent with industry standard practices, in order to recover additional costs incurred by Nordstrom.

As retail technology advances and as retail industry standards change, Nordstrom will continue adopting enhancements that are mutually beneficial. It is critical that we develop collaborative partnerships with vendors who have a similar commitment to these technologies. We look forward to your timely and successful implementation of Nordstrom's EDI/UPC requirements. Should you have additional questions please call 1-877-444-1313.

Sincerely,

NORDSTROM, INC.

Dan Little
Executive Vice President
Chief Administrative Officer