

September 14, 2007

Dear Nordstrom Supplier,

As a part of our ongoing efforts to further improve our merchandising and logistics strategy, Nordstrom Direct continues to bring its compliance requirements, policies and internal support structure in line with existing industry standards and with Nordstrom Full Line Store and Rack business unit practices. The changes outlined below apply to current and future Nordstrom Direct Suppliers.

Effective January 1, 2008 Advance Ship Notice (EDI 856) and related UCC-128 carton label will be required for Nordstrom Direct shipments. Failure to comply with these requirements will result in the following expense offset fees.

Compliance Issue	Expense Offset
Missing ASN (856): <ul style="list-style-type: none">• Merchandise shipped with no ASN	\$150.00 per PO per Ship-to Location
Unusable ASN (856): <ul style="list-style-type: none">• Late ASN: ASN sent after merchandise is received at the Distribution Center/Fulfillment Center.• ASN sent with invalid UPC Barcodes• ASN sent with invalid Purchase Order number• ASN sent with invalid Ship-Date (i.e.: 20020101: Year, 2-digit month, 2-digit date)• Ship-To Location on the ASN is not a valid Distribution Center location (0089,0299, 0399, 0499, 0599,0699, 0799)• ASN is missing a Bill of Lading Number	\$150.00 per PO per Ship-to Location
Inaccurate ASN (856): <ul style="list-style-type: none">• Receipt quantities do not match ASN quantities	\$150.00 per incident
UCC-128 label: <ul style="list-style-type: none">• Missing or un-scannable	\$5.00 per carton

Details of our requirements and expense off-set policies are available in the Nordstrom Direct Supplier Compliance Manual on our website at www.nordstromsupplier.com.

Nordstrom Direct ASN's should be sent under the existing Full Line Store/Rack requirements and EDI ID of 12/2062336664. A separate EDI ID will not be established. Nordstrom Direct ASN's should be sent to DC 0599/Store 0808 as specified in your purchase orders. Please note, this new requirement applies to non-drop ship orders sent from Nordstrom's 01/007942915 EDI ID.

Your company's compliance with our EDI requirements and related industry standard guidelines will serve to expedite the transfer of merchandise, resulting in improved customer service, more rapid payment to your company, and potential increases in sales. We appreciate your partnership and look forward to your successful implementation of EDI 856 and UCC-128 carton label.

Should you have questions or need assistance in meeting our requirements please contact the Supplier Compliance department at cmio.compliance@nordstrom.com or by phone at 877-444-1313. option 1, option 2.

Sincerely,

Jamie Nordstrom
President
Nordstrom Direct