NORDSTROM

October 23, 2007

Re: Fur Labeling Compliance

Dear Nordstrom Vendor:

Nordstrom values the relationships we have with all of our business partners. We are writing to make sure you are aware that there have been changes to fur and faux fur labeling requirements due to recent legislative activity. These requirements will go into effect soon. As you know, Nordstrom expects all of its business suppliers to comply with the applicable laws and regulations of the United States and those of the respective country of manufacture or exportation. As a Nordstrom supplier, you are expected to review, understand and comply with these requirements. Please be aware that the obligation to comply with all applicable laws and regulations remains yours and Nordstrom in no way undertakes to provide you with updates as new developments occur.

Real Fur and Faux Fur Labeling:

Several states, including New York, Massachusetts and Wisconsin, now require special labeling of real fur and faux fur products, regardless of the dollar value of the fur item. Additionally, there is sufficient legislative activity at the federal level to reasonably believe that the exception to the Fur Products Labeling Act for fur items valued at less than \$150 may soon be eliminated and full labeling requirements may soon apply to all products containing real fur (including shearling), regardless of value. Accordingly, we are implementing the following enhanced labeling requirements for all Nordstrom vendors of real and faux fur items.

1. Temporary label requirements (effective immediately)

Due to the existing laws and the imminent effective date of the New York state law requirement, Nordstrom is requiring, effective immediately, that all real and faux fur products, regardless of value, have the words "Real Fur" or "Faux Fur" (accurately reflecting the content of the item) reflected on a hang tag or sticker affixed to the product.

Vendors not meeting these temporary labeling requirements will be subject to returns beginning with purchase orders shipped (or fulfillment of drop ship orders on behalf of Nordstrom) after November 12, 2007. Vendors will be subject to expense offset fees for noncompliance beginning with purchase orders shipped (or fulfillment of drop ship orders on behalf of Nordstrom) after January 1, 2008.

2. Permanent label requirements (effective April 30, 2008)

a. Products containing real fur (including shearling):

All products containing real fur must be completely and accurately labeled to meet <u>all</u> the labeling requirements set forth in the Fur Products Labeling Act, <u>regardless of value of the fur item</u>, including, <u>but not limited to</u>, the following:

- the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur
- the name of the country of origin of any imported furs used in the fur product

In addition, the permanent fiber content label must include the words: "Real Fur."

b. Products containing faux fur:

The permanent fiber content label must include the words: "Faux Fur."

Vendors not meeting these new permanent labeling requirements will be subject to expense offset fees and/or returns, at Nordstrom's discretion, beginning with purchase orders shipped (or fulfillment of drop ship orders on behalf of Nordstrom) after <u>April 30</u>, 2008.

Thank you for your prompt attention to, and compliance with, these matters.

Further information about Supplier compliance and reference materials for fur labeling can also be found at www.nordstromsupplier.com. Should you have any questions, feel free to contact me.

Sincerely,

Pete Nordstrom Executive Vice President