

March 10, 2009

Dear Vendor,

As we begin our 108th year in business, we are indebted to the products and services our vendor partners, like you, have provided Nordstrom, enabling us to do what we do best at point of sale.

In light of the challenging economic environment in which we find ourselves, we are reviewing all aspects of our business. After taking a hard look at our back-office processes, we have decided to simplify our payment processes to improve efficiency and productivity, which will ultimately ensure our mutual success.

Beginning March 10, 2009, we will be streamlining the merchandise payment terms we will offer. Our standard terms will be 45 days. Our transition will be as follows:

- Terms without discounts that are less than 45 days will be extended to 45-day terms.
- Terms with discounts will be updated as follows:
 - Existing terms that are less than 30 days, with a discount of 4% or more, will be extended to 30-day terms with the same discount;
 - Existing terms at 30 days or longer, with a discount of 4% or more, will remain in effect (including EOM);
 - Existing terms that are less than 45 days, with a discount of less than 4%, will be extended to 45-day terms with the same discount.

We are happy to answer any general questions you may have regarding these changes. For specific questions regarding the terms applicable to your account, please contact your Vendor Relations Representative directly via our Accounts Payable main line at (206) 303-1080. Additionally, you may contact Grace Rainey, Manager – Accounts Payable via email at grace.rainey@nordstrom.com or via phone at (206) 303-5480, or Jim Howell, VP – Finance via email at jim.howell@nordstrom.com or via phone at (206) 303-3110, who can work with you one-on-one to address your questions.

We look forward to our continued partnership and success in the future.

Sincerely,

Mike Koppel
Chief Financial Officer