



Specialty Retailers, Inc.

(d.b.a. Stage Stores, Inc./SSI)

BEALLS • GOODY'S • PALAIS ROYAL • PEBBLES • STAGE

This guide covers both “Brick & Mortar” purchases along with merchandise/orders designated as “ECOMMERCE”.
(This guide does NOT cover direct to consumer- from supplier- ECOMM purchases.)



V e n d o r C o m p l i a n c e / R o u t i n g M a n u a l
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Release **0217A-1**

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Message to Our Supplier Trading Partners:

Welcome to Stage Stores' updated Vendor Compliance Manual release number 0217A-1. You will notice that it has been redesigned to provide you with an accurate, one-stop reference to Special Retailers, Inc.'s (SRI) logistical strategy.

NOTE: THIS GUIDE will govern all merchandise shipped to a Stage Distribution Center. There will no longer be a separate ECOMM 'exclusive' guide as the requirements for such merchandise are now found within THIS guide.

We encourage you to read the entire document since it has been redesigned. However, for your convenience we have included a reference page that highlights the major changes from our previous release edition number 0816A2 (Page 4.)

As you know, supply-chain efficiencies are more critical than ever in satisfying customer needs and remaining competitive. Smooth operations between the Vendor community and SRI are absolutely critical for our mutual success. **To this end, buyers do not have the authority to approve exceptions to any of the policies established in this compliance manual. Any exceptions to policies contained in this compliance manual must be approved by the Logistics/Vendor Compliance Department in writing prior to shipping.**

We ask that you distribute copies of this document to all departments that are impacted by these specific requirements. The Vendor Compliance manual is also available to view or download online at www.gxs.com/stage. (Look under the section "Not a Stage Stores Supplier" located in the middle of the page.)

These revised/updated instructions are effective **February 1, 2017** and supersede all previously issued instructions- both written & verbal.

IMPORTANT: When communicating to Vendor Compliance and in order to expedite your email/inquiry, suppliers are now REQUIRED to place the following information in the SUBJECT LINE of your email: Supplier Name, Supplier #, Violation Code #, PO # in Question (If applicable). The purpose of this requirement is to allow us to respond to your inquiry FASTER. (Email: VendorCompliance@StageStores.com.)

Failure to include this information in your subject line could delay the response to your inquiry and a potential 22A non-compliance violation assessed.

It is also important to note that suppliers have a maximum of 60 days from the non-compliance charge approval date in order to dispute the charge. Dispute requests > 60 days from the assessment approval date are not eligible for review. (See 22B Non-Compliance charge.)

On May 1, 2015, SRI announced the availability of a "Supplier Scorecard". Please reference the original email on how to access, and "Addendum H" for scorecard category breakdown.

IMPORTANT! Suppliers are required to certify that they have read & comply with the "Vendor Compliance Requirements for Sourcing and Manufacturing Merchandise." This document can be found at the base of the Stage "PEP" Compliance Site located at: www.gxs.com/Stage. The supplier "Certification Form" can be found in Addendum "I" on page 72 and MUST be completed by all suppliers. If you have not completed this form, please do so immediately.

We sincerely appreciate your ongoing efforts to satisfy our compliance requirements. **Thank you for your continued help and support of compliance at Stage!**

Kenneth J. Lettre, Vice President-
Vendor Compliance & Relations

Update Highlights

This page will summarize new changes to Release 0217A-1 vs. the previous release, i.e. 0816A2.
Suppliers are encouraged to read this information and to have all of their Vendor Relations questions answered BEFORE their merchandise is shipped. (VendorCompliance@stagestores.com)
This is not a complete list of the additions/updates. Please take the time to review the complete guide! Many changes/updates are highlighted in yellow. FYI: SRI = "Specialty Retailers, Inc.", d.b.a. "Stage Stores" or "SSI"

EDI

Page 6: Additional ECOMM store added, i.e. # 5899E.

Page 6: The requirement to be EDI 860 approved will be mandatory effective February 1, 2018.

Tickets

Page 15: "Y.E.S." verbiage being updated to "Spot On Value" throughout the Spring 2017 season. This change is iterated.

Page 15: The need for merchandise 'care labels'- where appropriate- is detailed.

Page 17: Pet clothing ticket placement information detailed

Page 18: Color name requirement for ECOMM specific PO's is detailed.

Page 18: Minimum exterior UPC sticker size of 1" x 2" is now required. (This was first announced as a 2-1-17 requirement on 8-1-16.)

Hangers

Page 21: New approved hanger supplier added. "Capco Wai Shing". (Added 3-16-17) See page 25 for contact information.

Packing Instructions

Page 24: Use of fabric ties is now permitted to bundle hangers. However- the fabric length 'past the knot' must NOT exceed 4".

Page 24: Minimum exterior UPC sticker size of 1" x 2" is now required. (This was first announced as a 2-1-17 requirement on 8-1-16.)

Transportation

Page 33: Phrase 'as soon as possible' added

Page 37: Assorted verbiage updates

Accounts Payable

Pages 40 & 41: Assorted verbiage updates

Shipping and Freight Violation Policy

Page 46: Code 21D- Some verbiage removed due to conflict with/already covered by code 21K

Page 46: Code 21J was expanded to include a previously stated requirement, i.e. "Do NOT Overstuff Cartons".

Page 47: Scope of Code 23A violation expanded.

Remittance Advice Report

*** This is NOT new * This is a re-emphasis of the previously published guideline.**

Page 48: Do NOT use your received 'remittance advice' to support/determine your assessed non-compliance violations! Suppliers MUST use the compliance site- located at www.gxs.com/stage- to research and support their compliance inquiries... NOT the check statement

Page 48: Accounts Payable verbiage update

Correspondence Address & Phone Numbers

Page 54: The Accounts Payable correspondence PO Box has been changed (This is effective IMMEDIATELY)

Invoices

Page 56: Transportation verbiage updated

Addendum H: Scorecard Categories

Page 69: Scorecard Categories Corrected. Identified incorrect associations previously published. Corrected.

Addendum K: Properly Formatted Small Parcel Label (Fed-Ex)

Page 76: *** NEW *** An example of a properly formatted Small Parcel Carrier label, i.e. Fed-Ex, is provided.

Thank you for your continued help and support of Vendor Compliance & Relations at Stage Stores!
Stage Stores COMPLIANCE & ROUTING Guide: Update Effective 2-1-17

To Our Supplier Partners:

Required Registration on Stage Stores' "PEP" Compliance Site

Stage Stores has implemented significant logistical changes with the goal of improving supply chain efficiency and strengthening the compliance information conduit with our suppliers.

As a result, Stage Stores has a compliance Web Site that communicates to suppliers their recently approved compliance issues.

In order to realize the benefits of this new site, Suppliers are required to visit and register on the Stage Stores online portal, nicknamed "PEP". ("PEP" = "Performance + Excellence = Partnership!")

The Stage Stores "PEP" Compliance site can be found at: www.gxs.com/stage. Suppliers MUST register an ADMIN for this site and receive an ID & password. To start this process, email: PEP@StageStores.com along with your supplier #. (NOTE: If you are already receiving non-compliance violation notification via email, then you are already registered on the "PEP" Compliance Site.)

Suppliers are encouraged to generate & register a 'generic' email address in the form of StageCompliance@YourCompanyName.Com format. This is an industry 'best practice' and prevents potential miscommunication of compliance emails if the supplier properly monitors this account.

Stage Stores has partnered with Bar Code Graphics to facilitate violation support communication and also to certify that all GS1-128 bar code shipping labels meet Stage Stores and GS1 standards.

On November 15, 2012, Stage Stores GS1-128 specifications were posted on the supplier site to reflect our updated standards. (See www.gxs.com/stage at the bottom of page.) As a result of this action, suppliers will be required to have their GS1-128 labels certified. Mandatory certification will assure all suppliers' shipping labels are correctly formatted and can be successfully scanned at all Stage Stores distribution centers.

This 'GS1-128 shipping label certification' involves dimensional, format, and ISO/ANSI print quality evaluation for all shipping locations. Barcode certification will cost the supplier \$75 per label submission. Suppliers will be responsible for submitting a GS1-128 Label from each shipping location the supplier will be utilizing to ship merchandise to Stage Stores.

All suppliers are expected to complete their GS1-128 certification. If you require additional information or assistance on GS1-128 certification, please email support@barcode-us.com or call 800-662-0701 x310.

For questions regarding the Stage Vendor Compliance "PEP" Site, contact: PEP@StageStores.com.

For Stage Vendor Compliance questions, contact VendorCompliance@stagestores.com.

Thank you for your continued help and support of Vendor Compliance & Relations at Stage!

EDI

SUPPLIERS ARE REQUIRED TO BE EDI COMPLIANT FROM THE FIRST ORDER.

Our Technology Strategy is committed to supporting the Universal Product Code (UPC), Electronic Data Interchange (EDI), Voluntary Interindustry Commerce Standards (VICS), and the Uniform Code Council (UCC) standards. By implementing these standards and technologies, SRI can expedite the movement of merchandise through the Supply Chain insuring a smooth flow from trading partners to the selling floor, better management of inventories, increased sales and enhanced customer service. **SRI requires full EDI participation on all required* VICS documents for all vendors.** The amount of business that our companies transact may be affected by your ability, or inability, to partner with SRI on EDI.

EDI Updates:

Besides the implementation of the EDI 860 PO Change, the SRI EDI Department has the following 850 document enhancements available:

- The addition of the MSG Segments to send PO messages as needed
- Ecommerce PO designation, i.e. DC # 0601E (Jacksonville, TX) & 5899E (Jeffersonville, OH) This will alert suppliers which PO's are specifically ECOMM PO's.

When your company is properly 'EDI mapped' for such transactions, suppliers are then fully aware of all PO requirements including which PO's are ECOMM specific. If not mapped (or uncertain) suppliers are encouraged to contact: EDI@StageStores.com, or call: 713-331-7116.

The EDI 210 Document (EDI Freight invoice) is also available. (This is mainly for carriers- however suppliers may also be involved with this document.)

Suppliers remain encouraged to contact the Stage EDI Department (EDI@StageStores.com, or call: 713-331-7116) regarding the EDI 860 PO change. Stage will be REQUIRING this EDI document in the 'near future'.

SRI requires* these EDI documents:

1. **810** Invoice
2. **850** Purchase Order (including both bulk and spreadsheet formats.)
3. **856** ASN Advanced Shipping Notification (ASN must be accurate and linked to **GS1-128** Shipping Container labels attached to every carton)
4. **997** Functional Acknowledgement
5. **210** Freight Invoice

SRI supports these EDI documents:

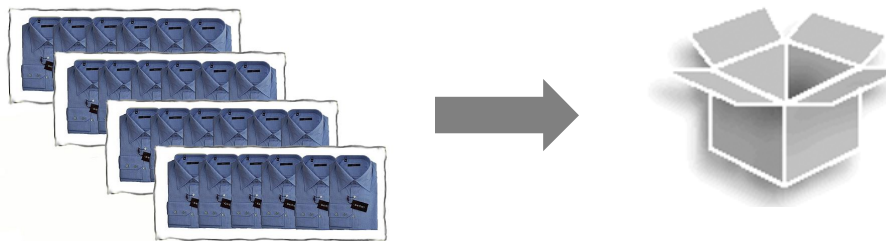
1. **855** Purchase Order Acknowledgement – Only for Vendors participating in a VMI program. (Sometimes referred to as a "Reverse PO.)
2. **852** Sales/Activity Report
3. **860** PO Change NOTE: SRI requests that all suppliers support the 860. **FYI- The 860 EDI Document WILL BE REQUIRED EFFECTIVE Feb 1, 2018.** The 860 Document will help SRI to better support our Supplier Partners.

Summary of Standards

1. GXS is SRI's only Value Added Network (VAN) for all inbound and outbound files.
2. SRI does **not** pay interconnect fees for users.
3. SRI must be able to access your UPC's via the GXS catalog.
4. All new Vendors will be added using the **4010** VICS version of the EDI standard.
5. The following information is required on the **810** Invoice:
 - Your name and address
 - Your invoice number
 - Our Purchase Order Number
 - Total weight of the shipment
 - The freight Carrier
 - The exact quantity in units by style, color and size
 - The unit cost must match the unit cost on our purchase order
 - The line item total must equal the invoice total

6. The following information is required on the **856** ASN:

- Your name and address
- Our Purchase Order Number
- The number of cartons in your shipment by Purchase Order and shipment total
- Total weight of the shipment
- The freight Carrier
- The exact quantity in units by style, color and size
- Bill of lading number (this number must be assigned at shipment level). If the shipment is so large that it will not fit on one truck, then you must create a unique BOL and ASN for each truck.
- Carton detail information-The UPC cannot be listed multiple times within the same carton detail.
- Carton numbers must be unique across all DC ship to locations. A carton number can only be sent via EDI one time regardless of the ship to location.
- If shipping a pre-pack and a Pack UPC is included in the ASN and Invoice file, the quantity in the carton is the number of packs in the carton, not the total number of sellable pieces in the carton. For example, if there are 6 pieces in your pack, and there are 4 packs in a carton, then the quantity is 4, not 24.



- If shipping via LTL (less than truckload carrier, i.e. ABF) or Parcel Carrier (i.e. Fed-Ex) then the entire pickup at your shipping location is considered one shipment. All ASN's transmitted against this shipment must display the same BOL number.
- When shipping via small parcel, vendors must enter the 1st tracking number of the shipment in the REF and BM segment as the BOL number.

7. The **856** ASN must match the shipment and purchase order.

8. The requirements for **856** ASN timing have been revised to ensure we receive the ASN in a timelier manner.

- Usable EDI ASN must be sent immediately on or before the release of the shipment to the carrier.
- ASN(s) must be received in our VAN by 6:00am CST on the day after the shipment is release to the carrier.
- If the ASN is received in our VAN after 6:00am CST next day, the vendor will be issued a **LEVEL 1 Late ASN violation** for "ASN not received prior to 6:00am CST the day after the shipment release".
- The Chargeback amount is: <= 2 Days Late \$500; if > 2 days \$1000 per PO/shipment.

9. The 856 ASN must be transmitted and received **prior** to the arrival of the shipment. If the ASN is **so late** that the product arrives at our DC prior to the ASN, the vendor will receive an additional non-compliance charge.

- This requirement has not changed. The associated chargeback remains at \$1000 per PO/shipment.
- This is considered a **Level 2 Late ASN violation** "for "No ASN received at time of receipt at Distribution Center" (16A)

10. Below are some scenarios that you should consider when determining the appropriate time to transmit the **856** ASN.

- Vendors within 4-hrs travel zone of our distribution center in Jacksonville, TX, South Hill, VA or Jeffersonville, OH must send an ASN transmission immediately **on or before** the release of the shipment to the carrier. If the shipment is picked up in the morning and will arrive at any of our DCs within 1-4 hours, there is a chance that the trailer may be unloaded at our facility that same day. Every attempt should be made by our close proximity vendors to transmit the ASN prior to or as the shipment is leaving your dock. It is the supplier's responsibility to provide to SRI a timely and accurate ASN.
 - Most shipments that leave your facility on Friday arrive at our facility over the weekend. In this scenario please make sure the **856** ASN is sent on Friday; do NOT wait until the following Monday to transmit.
11. Vendors must provide an accurate ship date within the DTM-11 segment of their ASN.
 - Vendors currently provide this information in the ASN, so the only change going forward will be that **we require the ship date to be accurate and match the "Shippers" signed date on the BOL.**
 - The chargeback amount is \$250.00 per PO/shipment for "inaccurate vendor ship date within Vendor's ASN data".
 12. The shipping information must be consolidated into one ASN. One BOL number on the Advance Ship Notice transmission per PO/shipment is required.
 13. Since SRI requires an accurate and timely ASN on every shipment, and since the ASN replaces the packing slip, packing slips are not required for any shipment. This 'no packing slips' requirement also includes ALL jewelry (costume & fine) and watch suppliers. Orders received with packing slips will be considered non compliant and will be subject to a non compliance charge. (See Violation Code 21A)
 14. The **810** Invoice must be sent within 24 hours of shipment pickup from vendor's warehouse.
 15. The **810** Invoice must only include **merchandise line items** transmitted at their actual costs. The merchandise line items should not be reduced to compensate for new store discounts, damage or distribution charges. No charges or allowances should be included in the 810 invoice either against line items or the invoice total. Invoices transmitted with these additional charges and allowances will be rejected, and subject to a non-compliance charge. (See Violation Code 07A)Whenever possible the **810** Invoice should be consolidated to facilitate processing and research.
 16. All vendors must respond to the **850** Purchase Order with an accurate **997** Functional Acknowledgement within 72 hours of receipt of the **850** Purchase Order.
 17. You must be capable of retransmitting all EDI documents within 24 hours of request.
 18. SRI supports the use of pre-packs to streamline the flow of distribution. There are three EDI PO formats utilize to electronically transmit purchase orders written with packs:
 1. Transmit the order in the same format as a bulk order, the basic 850 format.
 - Note: The SRI buying office will forward the pack breakdown to the appropriate party within the vendor's company.
 - The order is to be shipped based on the pack breakdown from the buying office. Failure to do so will be considered non-compliant, and subject to non-compliance charges.
 2. Transmit the number of packs, the pack UPC, and include the pack breakdown in the EDI PO.
 - The vendor is required to provide the pack UPC in the ASN and EDI invoice. This requires the use of the 850 PO format using SLN segment.
 3. Transmit messages in the MGS segment of the 850 and terms in the ITD segment.
 - SRI will transmit a message when the order has pre-packs on them. Example: "This order contains pre-packs". If there are NO pre-packs on the order, then NO message will be sent. Payment Terms will be sent in the ITD segment of the 850.
 19. Suppliers are NOT to transmit an ASN with a quantity of '0' attached to a UPC. (See code 07C)

Vendors will need to identify which PO format their company can best utilize to properly support the business and avoid any potential EDI related violations or chargebacks.

Vendors who are not able to comply with SSI's EDI requirements must consider outsourcing an EDI program. Suppliers **MUST** be EDI compliant.

Shipments received without the associated EDI transaction sets for Advance Shipment Notifications (856 ASN) and Electronic Invoices (810 Invoice) will be considered non-compliant and will be subject to non-compliance charges. (See Violation Code 07A- Invoice; 16A- ASN)

Suppliers with questions on EDI, Compliance, or Traffic/Shipping requirements can find contact email addresses on pages 40 and 41 of this manual. Have your questions answered **BEFORE** you ship your ordered merchandise!

(NOTE: Complete correspondence/contact address list is found on page 54.)

UPC Catalog

- SRI currently supports the GXS catalog.
- SRI **requires** our trading partners to provide accurate, updated UPC data via the GXS Catalog.
- Updated information should be sent electronically (**832**) to GXS a minimum of 10 days before market.
- Once you have assigned size ranges and communicated your UPC's to GXS, then size ranges cannot be altered (S-M-L cannot be changed to 5-7-9 etc).
- Proper communication on all supplier UPC's is critical for offset prevention.
- Your GXS catalog entry **MUST** reflect the actual COLOR NAME for the item- not the color #.

UPC Catalog Data Requirements

Vendor level:	Product Level:	UPC/EAN Level:
Vendor Name	Selection Code	Size Code/ Desc. (Short & Long)
Vendor Account Number	Selection Code Description	Color Code/Desc. (Short & Long)
Currency Indicator	Product ID (PID)	Fabric Description
	Product Desc. (Short & Long)	Country of Origin (Manufacturing)
	Image (Future)	Published Cost
	Image Des. (Future)	Manufacturers Suggested Retail
	Trade Name (label/brand)	UPC/EAN Type (pre-pack, set pack, GWP, PWP, collateral)
	Warranty	Record Change/Alter Date
	Hazardous Material Class	Discontinued Date
	Point of Origin (Shipping)	Cancel Date
		Booking Date
		Availability Date
		Seasonal Availability Flag
		Minimum/Maximum Order Quantity
		Re-order Flag
		Lead Time
		Manufacturers Pack Size
		Weight/Cube/Dimensions

<u>Outside Resources</u>	<u>Phone #</u>	<u>Fax #</u>	<u>Website address</u>
Uniform Code Council	800-543-8137	937-435-7317	www.uc-council.org
VICS	609-620-4590	609-620-1201	www.vics.org
GXS/Open Text	800-294-2257		

Terms and Conditions of Purchase

Ensure you have a valid purchase order prior to shipping merchandise to Specialty Retailers, Inc. ("SRI"). Valid purchase orders are received via EDI transmission or system generated hard copy purchase orders only. This order is subject to the terms and conditions herein stated and appearing on the original front side of the purchase order. By accepting this order or by delivery of merchandise pursuant thereto, seller agrees to be bound thereby. No modifications or addition shall be binding on buyer unless agreed to in writing.

1. Timing is of the essence in this contract. All goods ordered will be shipped complete NO LATER than the "DO NOT SHIP AFTER" DATE on the front of the order. The goods should NOT BE SHIPPED before the "DO NOT SHIP BEFORE" DATE on the front of this order. The "DO NOT SHIP BEFORE" DATE on the front of this order is defined as the date that you, the Vendor will tender the shipment to the designated carrier.
2. The seller guarantees that the goods shall be delivered in a single lot, said lot being made up of all of the goods ordered herein.
3. The seller warrants and guarantees that all goods delivered pursuant to this order will comply with the descriptions, colors, fabrics, sizes and quantities specified herein, and that all goods delivered will conform to the sample of goods, if any, displayed by seller.
4. Buyer expressly reserves the right to cancel all or any part of this order if all of the terms and conditions hereof are not fully complied with, including, but not limited to, the terms specifying the date of delivery, shipment by a single lot, and quality of goods. Buyer has the right to return, at seller's expense, all merchandise sent which fails to comply with any of the terms and conditions specified herein. Acceptance of all or any part of the goods or payment of all or any part of the purchase price shall in no way bind buyer to accept future deliveries on any order or constitute a waiver of any right buyer might have with respect to seller's failure to deliver goods on a specified date or otherwise fail to comply with the terms and conditions of this order. The remedies provided for buyer in this paragraph, shall be in addition to and cumulative of the remedies buyer may be afforded either by law or equity.
5. Notwithstanding any agreement to pay freight, express, or other transportation charge, the risk of loss or damage to goods in transit shall be borne by the seller until the goods have been actually received by and accepted by buyer.
6. By signing a copy of this order or making any deliveries of the merchandise specified herein, vendor warrants and represents that it has the right to sell the merchandise purchased hereunder and agrees to indemnify, defend, and save the purchaser harmless from and against any and all suits, actions, claims or demands that may be brought against purchaser, and from and against all liability, loss, damages, costs and expenses, including attorney's fees, incurred by purchaser by reason thereof, on the ground that the purchase or sale of any of the merchandise covered by this order constitutes unfair competition or infringement of patent, copyright or trade mark or an invasion of the rights of any person or corporation, and vendor further agrees at its own cost and expense to defend, upon the request of purchaser, any such suits, actions, claims and demands.
7. Vendor warrants that the merchandise covered by this order is fit and safe for consumer use, and acceptance of the order shall constitute agreement upon vendor's part to indemnify, defend, and hold the purchaser harmless from all claims, suits, actions, liability, loss, damage and expenses (including attorney's fees) incurred or sustained by or bought against purchaser by reason of any breach of such warranty including, but not limited to, any of the foregoing based upon or alleging any design defect, manufacturing defect, marketing defect, strict liability in tort and/or failure to provide an adequate warning. Vendor agrees that if any of the merchandise covered by this order when examined or tested by purchaser after delivery shall be found defective, at purchaser's request, vendor will accept return thereof for full credit to purchaser and make full refund thereof to purchaser, including payment of all transportation charges. Vendor agrees that any merchandise returned to Vendor by the purchaser as a result of having been found to be defective for any reason is not to be repaired and returned to purchaser unless specifically requested to be repaired and

returned by the purchaser on the Return to Vendor document accompanying the merchandise. Acceptance of all or any part of the merchandise shall not be deemed to be a waiver of purchaser's right to cancel or return all or any part thereof because of failure to conform to order or by reason of defects, latent or patent or for breach of warranty or to make any claim for damages, including manufacturing cost and loss of profits or for special damages occasioned the purchaser. Such rights shall be in addition to any other remedies provided by law. All obligations of the vendor under this agreement shall survive acceptance of the merchandise and payment therefore by purchaser.

8. Vendor represents and warrants that the merchandise covered by the order has been manufactured and labeled in accordance with the requirements of all applicable Federal, State and Municipal laws, rules and regulations, including but not limited to the Fair Labor Standards Act, the Wool Products Labeling Act, the Fur Products Labeling Act, the Textile Fiber Products Identification Act, the Flammable Fabrics Act and the Federal Hazardous Substance Labeling Act as any of the foregoing may be amended, modified, supplemented and/or recodified. Vendor's invoice shall bear the separate guarantees provided for under any of such acts or shall contain the appropriate statement that a continuing guarantee has been filed in accordance with such acts and applicable rules and regulations of the Federal Trade Commission and other Government agencies with jurisdiction in the premises. Further, vendor represents and warrants that the merchandise covered by the order has been manufactured in compliance with all applicable foreign laws, rules and regulations relating to child labor practices. Vendor further certifies that the merchandise covered by this order has been produced in compliance with all the applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof. Vendor shall ensure that all of its factories, contractors and subcontractors are in compliance with all such U.S. and foreign laws. Vendor agrees to indemnify and hold purchaser harmless from and against any and all suits, actions, claims, demands, penalties, fines, charges, expenses, fees (including reasonable attorney's fees) arising out of Vendor's violation of such U.S. and foreign laws.
9. Vendor represents and warrants that the merchandise covered herein conforms to all applicable federal and state product safety laws, requirements, rules and standards and agrees at the time of delivery to deliver an electronic certification to such effect in the terms specified by law or by the Buyer/SRI. Vendor agrees to indemnify and hold Buyer/SRI harmless from and against any and all costs, losses, damages, suits, claims, demands, penalties, fines, and charges, including attorneys' fees, arising out of Vendor's violations of such laws. SRI/Buyer reserves the right to refuse goods or require Vendor to take goods back which fail to meet any of the aforementioned requirements.
10. Vendor will provide Specialty Retailers, Inc. ("SRI") with a Certificate of Insurance evidencing Commercial General Liability coverage, specifically including Product Liability coverage, with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and naming Specialty Retailers, Inc. ("SRI") and its subsidiaries and affiliated companies as additional named insured, with thirty days written notice to SRI of any material modifications or cancellation.
11. Specialty Retailers, Inc. ("SRI") reserves the right to assess Vendor an appropriate NON-COMPLIANCE charge for any violation of packing, shipping and routing instructions which are detailed in the Compliance Manual. Obtain a copy of the Specialty Retailers, Inc. ("SRI") Vendor Compliance Manual on line by visiting www.gxs.com/stage. The compliance manual is available to view or download by clicking on the detailed link located in the middle of the home page.
12. In the event that more than one division of SRI orders goods from seller during any twelve-month period, seller shall charge each division the lowest price and provide the most favorable terms negotiated by a division of SRI during such twelve-month period. This provision shall apply retroactively and shall supersede any purchase order price or terms agreed to between the parties. In the event that SRI has already paid any amounts to seller, seller shall refund SRI any overpayment amount that accrues pursuant to this provision by check or wire transfer within ten days of written notice by SRI.
13. Defective Allowance. If the Vendor Support Agreement executed by Buyer and Vendor provides for a "Defective Allowance", then Seller will not be required to accept returns of Seller's products which

have been returned to Stage Stores by its individual customers and to provide refunds to Stage Stores for such products due to isolated instances of: products damaged during shipping, nonconforming products or defective products. This Defective Allowance does not, however, in any way reduce, negate or impair Vendor's obligations under the remainder of these Terms and Conditions of Purchase if any of the following circumstance apply which are referred to in the Vendor Agreement as "gross product defects": the defect in, damage to, or nonconformity of the product is not limited to a few units of the applicable product or the product is subject to a consumer product or safety recall, fails to comply with applicable law, or is the subject of an infringement claim.

Purchase Order Requirements

Make sure your Purchase Order is valid:

It is important to ensure that the purchase order is valid prior to shipping merchandise to SSI. An EDI document (#850 Buyer/System generated or #855 Vendor generated) or a computer/system-generated hard copy qualifies as a valid Order. Email, telephone orders, verbal commitments, handwritten orders, or worksheets are not valid purchase orders and will **not** be honored.

If unable to fulfill purchase orders as intended, substitutions, quantity changes, and ship date changes must be approved by the buyer. You must request a system generated P.O. electronically transmitted or a dated system screen print reflecting the date change and/or changes have indeed been implemented and approved. A verbal approval is not acceptable. An approved systematically generated and dated revised PO **MUST** be obtained and in your possession prior to shipping the adjusted PO or the P.O. as written at the time of PO shipment will be subject to compliance violations.

All Purchase Orders must be shipped complete:

Ship all purchase orders complete. If that cannot be accomplished, you must contact the buying office for approval to short ship. Subsequent shipments against the same purchase order will be considered split shipments and should be shipped pre-paid at the vendors' expense. A non-compliance charge will be assessed for the full cost of freight plus handling on the second or subsequent shipment against the same purchase order from the same shipping location that is shipped freight collect. (See Violation Code 12E)

All Purchase Orders must be shipped within the order windows:

All goods ordered will be shipped complete in accordance with the dates on the purchase order. The "do not ship before date" on the purchase order is the first day that you are authorized to tender the goods to the designated carrier. The "do not ship after" date is the last date that that you are authorized to tender the goods to the designated carrier. Shipping prior to the "do not ship before date" or shipping after the "do not ship after date" will result in a non-compliance charge, and possible return of goods at the vendor's expense. (See Violation Code 01A or 01B)

All Purchase Orders must be shipped as written:

Substitutions, quantity changes, or ship date changes must be obtained from the buyer in writing in the form of an updated **valid** purchase order/revision. A verbal approval or confirmation is **never** sufficient. Please see the section above titled "Make sure your Purchase Order is valid" for further information. Where a supplier overships or ships unordered merchandise, SRI will keep at no charge. (See non-compliance code # 10)

All Purchase Orders must be shipped to the distribution center designated on Purchase Order Detail:

Please reference "ship to" field located in the N1 ST segment of EDI purchase order. Purchase orders shipped to wrong DC will be subject to non-compliance charges that could include up to the full cost of freight plus handling and any transportation cost associated with forwarding the shipment to the correct DC. (See Violation Codes 12R or 12S)

Merchandise subject to return:

Failure to comply with any of the policies could result in non-compliance charges of full freight cost plus a handling fee of 15% of the cost of the merchandise: (See Violation Code 23 and 25)

- SRI will inform the Vendor of the Purchase Order number involved and request a return authorization.
- The Vendor has 5 days to provide the RA # and return address. After that time period has elapsed, a storage fee of \$350 per day will be charged to the vendor. (See Violation Code 23)
- Shipments weighing 200 pounds or less will be returned to the vendor via small parcel carrier prepaid (at the vendor's expense).
- Shipments weighing over 200 pounds will be returned to the vendor via the designated inbound freight carrier prepaid.
- Any return shipment refused by vendor will be abandoned to the carrier for salvage. We will not be responsible for payment on these goods.
- Within 48 hours, vendors are responsible for filing claims with the carrier when a return shipment is delivered with carrier shortages or damages.
- All return inquiries or disputes must include a copy of the remittance advice report.
- Timeliness is **IMPORTANT** as Stage Stores will not review any return claim inquiries or disputes over 6 months old.

New Store discount and payment terms:

All orders for merchandise shipments to new stores, prior to their opening date and up to 30 days thereafter, are considered New Store orders and are held to New Store standard terms and discounts. New Store discounts mitigate advertising and operational expenses in the new store markets. New Store orders are paid 90 days after receipt of goods and are assessed a 10% standard discount in addition to all other applicable terms, discounts and allowances offered by vendor. These terms are noted in the SRI new vendor setup form and deductions are assessed and reflected on the vendor's remittance advice report. Any deviations from these standard terms require SRI GMM approval.

Ticketing: For Brick & Mortar (B&M) Stores ONLY

SRI requires all merchandise to be "Pre-Ticketed" upon receipt.

The following accurate information is required on the applied tickets. All of the required information is found on your approved purchase order. The applied tickets **MUST ALWAYS** match the information that is written on the approved Purchase Order itself.

1. Department number. Shoes are excluded from this requirement. (NOTE: Hanging shoes MUST contain this INFO.)
2. Class number. Shoes are excluded from this requirement NOTE: Hanging shoes MUST contain this INFO.)
3. Vendor Product/Style Number (VPN)
4. Retail amount. Shoes are excluded from this requirement (NOTE: Hanging shoes MUST contain this INFO.)
5. Size- if applicable
6. Color Name- if applicable (Do NOT use abbreviations- spell entire color name.)
7. Supplier's "electronic UPC catalog" MUST reflect color "NAME" & not color #.
8. UPC printed on ticket must be scannable with human readable data that complies with the industry standard (must match catalog)
9. SRI retail must appear in Zone 6 (VICS standards) bottom of the standard UPC ticket.
10. Do NOT place any store name on the ticket, i.e. The store names Bealls, Goody's, Palais Royal, Peebles, or Stage must **NEVER** appear on the applied ticket.
11. Place only 1 properly formatted/located/priced ticket on each garment.
12. Supplier's wishing to use a 'size strip ticket', i.e. a ticket built-in to a size strip, MUST obtain approval from VendorCompliance@StageStores.com PRIOR to application.

Vendors who utilize MSRP format tickets, requirements are as follows:

1. Size- if applicable
2. UPC printed on the ticket must be scannable with human readable data that complies with the industry standard (must match catalog)
3. MSRP retail- and must appear in Zone 7 (below perforation) leaving a blank Zone 6.
4. MSRP wording must be present on ticket to qualify as MSRP format ticket. Other variations such as "Suggested Manufacturer Retail" are also allowable

Suppliers are not to use MSRP-type verbiage with a Y.E.S. price point. A Y.E.S. price point is defined as a PO designated retail price that ends with .98. (See 13B violation). Suppliers with a Y.E.S. price point must follow non- MSRP ticketing requirements. (FYI: Y.E.S. verbiage to be updated to 'Spot On Value' in Spring 2017 season. Ask your merchant for specifics. No change in the above stated Y.E.S. price point requirements .)

If you are unable to comply with the above requirements, you can use any outside resource to print the tickets for you. It **MUST** be stated, however, that the supplier- not the ticket producing company- remains responsible for the final ticket that is applied to the merchandise. For your convenience, below we have listed some contacts for outside ticketing companies:

- | | |
|---|--|
| ▪ Barcodes West (800) 688-2633 or
CSApparel@barcodeswest.com | ▪ Data2 (Jewelry tickets) (800) 227-2121 ext
421 |
| ▪ FineLine (800) 500-8687 | ▪ Sourcing Solutions 201-244-8817
www.ss-intl.com |
| ▪ Rapid Tag & Label (877) Get-Tags | ▪ PAX Tag & Label, Inc. (800) 729-8247
www.paxtag.com |
| ▪ AccuGraphix (800) 872-9977
www.bar-code.com | |

When ordering tickets from any of the above sources, you must specify that they are for SSI, to ensure they print the ticket in the proper format, and avoid non-compliance charges. (See Violation Code 13C, 13H)

The bottom-line: The merchandise information as stated on the final approved Purchase Order MUST be what the applied ticket reflects. This includes the proper retail & product UPC #.

CARE LABELS: Garments MUST have a care label appropriately placed on the garment & CARE LABELS are required.

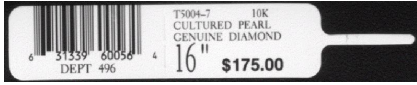
Ticket Examples

Do **NOT** place any store name on the ticket, i.e. The store names Bealls, Goody's, Palais Royal, Peebles, or Stage must **NEVER** appear on the applied ticket or the merchandise itself. (See 13G violation.)

This is an example of a ticket format that meets all of our requirements; this format can be used as a hangtag or a gum label, excluding shoes.

This is an example of a ticket format that you can use in conjunction with an existing vendor hangtag that does not include our retail pricing.

Jewelry "Rat-Tail" tag



DPT 0722 CL 0844

VPN 2135

Color: White
Size: M

\$25.00

DPT 489 CL 0844

\$10.00

Tickets For E-Commerce
ONLY Merchandise:
See page 18

This is **ZONE 6** of the UPC ticket.

NOTE:
Tops with "Rolled Sleeves" may place tag in the NECK.

Example A

- Gum retail price ticket should not be placed directly on merchandise. They can be affixed to product packaging or hangtag. Do **NOT** cover any portion of the UPC bar code with such a sticker.
- Additional tickets should not cover the UPC barcode, or any other required information.
- Random ticket errors found within a style on a shipment will result in a vendor compliance charge of \$.50 cents for **every** piece within that problem style. This charge covers the expense to audit **every unit** within that style and fix the tickets that contain errors. (See Violation Code #'s 13A – 13I, 14B, and 14E.)
- For PRIVATE LABEL/BRAND merchandise- with the labels: "Hannah", Signature Studio- Missy" & "Valerie Stevens", "GROUP NAME" must be stated on the ticket- between the UPC & Color/Size & above the retail price.

NOTE: It is important to note that SRI does not dictate a specific shoe box ticket/label. However, whatever information detailed on the shoebox, **MUST** include the following:

1. Scannable UPC
2. Vendor Product/Style Number (VPN)
3. Style Name
4. Color Name
5. Size
6. Retail price is NOT required on boxed shoe merchandise.
7. Hanging shoes (including sandals) MUST be ticketed with INFO as shown in above "Example A". Such ticket MUST be visible to the consumer.

IMPORTANT: For suppliers of "Watches- Dept 1468", "Costume Jewelry- Dept 1473" and "Fine Jewelry- Dept 1496", see ADDENDUM "D" on **page 65** for REQUIRED EAS tagging instructions.

Ticket placement guidelines: SRI appreciates your effort to provide Floor Ready Merchandise for distribution to our stores, merchandise must be **shipped on hanger or flat packed merchandise must have a size strip**. **As a generic statement, all hanging merchandise is to be tagged at the bottom of the left sleeve- unless detailed differently below or if such a placement could cause product damage.** (In such cases, contact Vendor Compliance for ticketing direction PRIOR to shipping.) As you apply tickets to merchandise destined for SSI, please follow the following placement guidelines:

Group	Category	Ticket Location
Women's and Girls Apparel	Dresses, Coats/ Outerwear/ Sets, Jacket/Bolero	Bottom of left sleeve at the seam
	Hanging Tops/Shirts/Vests/Sleepwear	Bottom of left sleeve at the seam
	Packaged/Folded Tops **	Through manufacturer's label at neck
	Folded fleece tops/Hoody's	Through manufacturer's label at neck
	FOLDED Loungewear/Sleepwear **	Through manufacturer's label at neck
	Sweaters/Shrug (Hanging & Folded)/Poncho's	Through manufacturer's label at neck
	Sweater Vests/Dresses	Through left sleeve or arm-pit if no sleeve
	Knit Turtle Necks	Through manufacturer's label at neck
	Bottoms/Pants (Hanging & Folded)	On the waistband at the side seam- wearers left
	Swimwear	Through underarm seam at the left side or care label
	Denim Jeans (Folded)	On the back side of the waistband
	Intimate Apparel	Through care label/tag
		** Heat Seal Labels – Wearer's left at neck seam – Fold or packed tops ONLY
		** Rolled Sleeves can also be placed in the NECK
Men's and Boys Apparel	Hanging Coats/Outerwear/Suit/Jacket & Men's Hanging Vest	Bottom of left sleeve at the seam (On suits- sewn on left sleeve tag acceptable)
	Hanging Tops/Shirts & Robes/Pajama Set	Bottom of left sleeve at the seam
	Packaged Dress Shirts	Inside the placket at the 5 th placket button
	Folded Tops, No placket **	Through care label in the neckline
	Folded fleece tops/Hoody's	Through manufacturer's label at neck
	Folded Tops, with placket **	Inside placket near 2 nd button
	Sweaters (Hanging & Folded)	Through manufacturer's label at neck
	Pants/Bottoms (Hanging & Folded)	On the waistband at the side seam- wearers left.
	Ties	Through manufacturer's label on back of tie
	Hats/Headwear	At the back of the head
	Denim Jeans (Folded)	On the back side of the waistband
	** Heat Seal Labels – Wearer's left at neck seam – Fold or packed Tops ONLY	
Infants / Toddlers 2T-7	Hanging Tops/ Toddler Sets	Bottom of left sleeve at the seam
	Folded Tops	Manufacturer label at neck
	Hanging & Folded Bottoms	On the waistband at the side seam- wearers left
Boxed Products	Gifts	Bottom of individual display box or bottom of merchandise if not packaged in individual display box.
Accessories, Home, Hanging Shoes	Wallets	Must be sewn in or loop attached/through zipper loop
	Gloves	Inside cuff, in seam
	Scarves	Through manufacturer's label
	Ties	Through manufacturer's label on backside of tie
	Belts	Inside belt under belt buckle
	Handbags	Attach ticket securely to handbag handle or shoulder strap w/ plastic secural-loop
	Home Merchandise (Also see Addendum "G")	Must be 100% properly ticketed (per pages 15/16) unless prior WRITTEN permission received from compliance office
Vendor Joker Tag Placement	Hanging Shoes/Sandals/Infant Boxed Shoes	Must be 100% properly ticketed (per pages 15/16) unless prior WRITTEN permission received from compliance office
	Suits/Jackets	At the bottom of left sleeve
	Pants/Slacks	On the waistband at the left seam or the left rear pocket

Pet clothes: Through the item's care label.

The above is not an 'all-inclusive' ticket placement list. Merchandise not specifically addressed by the above list is defined by the merchant in your SRI buying group. In all cases, the applied ticket must be clearly/easily visible to the consumer. If you have specific questions on your product, request clarification from VendorCompliance@stagestores.com BEFORE shipping.

Generic ROLLED Sleeve Comment: Tops with "Rolled Sleeves" may have their tag placed in the neck.

Generic FOLDED Pant Statement: The ticket on a folded pant must be visible to the consumer, i.e. 'not hidden'.

Generic SLEEVELESS Shirt Statement: Place ticket at bottom of left sleeve arm 'hole' if hanging. (Violations 2-1-17.)

Ticketing & Packing: For the ECOMMERCE PO's/Merchandise

Do you know if your order is designated for ECOMM? Be EDI mapped! See page 6.

- Ticket, Pack, and Ship the ordered ECOMMERCE order portion merchandise as stated/required by the PO itself. ECOMM PO's are detailed a BULK SOLID PO's.
- The ticket applied to ECOMMERCE designated merchandise 'may' be the same as the ticket applied to the B & M order. However, if the supplier has the ability to make different tickets, the tickets for the ECOMMERCE orders requires simply the UPC bar code, the UPC human readable #, item style #, and the item size (if applicable). Notice that the Dept/Class #, color INFO and retail price is NOT required for ECOMMERCE SPECIFIC PO's.
- NO HANGERS are to be applied on ECOMMERCE merchandise... unless such hangers are REQUIRED for the proper storage of such merchandise, i.e. BLAZERS.
- Suppliers must continue to follow all EDI requirements.
- Size Strips are not required on ECOMMERCE merchandise. If ECOMM items arrive with size strips, SRI will accept without penalty as long as the strip/garment size match.
- It is important to note that SRI understands that due to the low # of units ordered on ECOMM PO's, chances are the minimum average weight/carton of 5 pounds may not be met. Suppliers are encouraged to MASTER PACK where/when possible. See page 25 for additional details on how to MASTER PACK... as this option may indeed save your company significant shipping \$'s even on smaller non-ECOMMERCE PO's.
- If the ECOMMERCE PO still does not meet this 5 pound average weight/carton, the CODE 37 violation for < 5 pound cartons will NOT be assessed when the buyer has properly identified that specific PO as ECOMMERCE when generating that PO.
- Ship only the ordered merchandise. Do NOT substitute styles or quantities unless the PO itself has been adjusted to reflect any/all discussed/agreed changes. (NOTE: Suppliers are encouraged to become compatible with the EDI 860 Document. See page 6.)
- For merchandise not designed to be sold within the same carton the merchandise is shipped within, i.e. clothing, each item is to be placed in its own clear sealed POLY BAG. Each POLY BAG is to have a UPC sticker – consisting of a bar code & clear human readable #'s- placed on the outside & in the center of the item's poly bag. This UPC sticker will be the SAME UPC # as the garment & ticket found within the POLY BAG. Min Size for UPC Sticker: 1" x 2". (This size update was first announced on 8-1-16)
- Tickets on SRI Private Label merchandise MUST contain GROUP NAME. See page 16.
- ECOMM Ticket placement: SRI prefers that the supplier follows the B & M ticket placement guidelines... but open to alternatives for specific ECOMM ordered merchandise ONLY.

IMPORTANT:

- It is the expectation that the ECOMMERCE portion of the order is to be shipped in 'eaches' with each item in an individual polybag marked with the proper exterior UPC. However, in all cases, suppliers are to follow the instructions detailed on the order itself.
- Be certain to have any/all questions answered PRIOR to shipping this and any Stage Stores order by contacting Vendor Compliance at: VendorCompliance@StageStores.com.
- Suppliers are to print a "SUFFOCATION" WARNING on the polybag's exterior using the instructions found in ADDENDUM "A" on page 63 of this guide. NOTE: Slightly updated instructions for this requirement have been added. (See 21E violation.)

It is important to state that the 'more' the merchandise is received in an 'ECOMMERCE compliant/saleable state', the quicker the ordered merchandise will be available for sale on line... i.e. our shared goal!

Clear size strips placement guidelines:

Group	Category	SIZE Strip Location
Clear Size Strips	Packaged/Folded Tops	Must be long enough to wrap around center fold of merchandise
	Pants/Bottoms	Upper section of the leg facing out

IMPORTANT:

Clear Size Strips are **REQUIRED** on all flat packed apparel see pictures below. Size "Dots" are never acceptable. If you have a size "strip" that does not conform to these listed requirements, suppliers are to discuss/receive prior approval PRIOR to shipping.

Exception to size strip requirement: "Weighted Sweaters" & Flannel items.

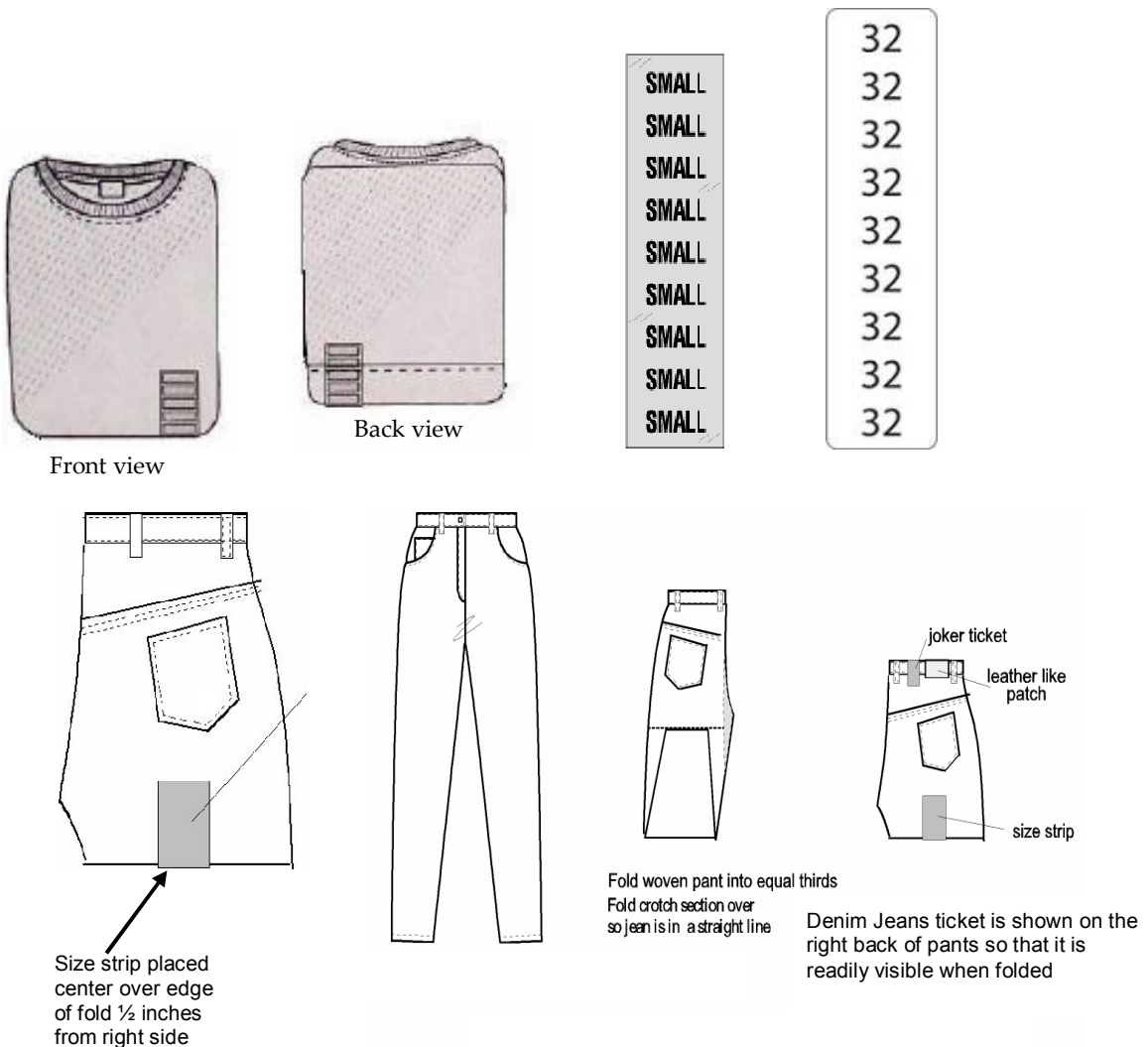
NOTE: If your company believes the use of a size strip will cause potential damage to the garment, contact VendorCompliance@StageStores.com with specifics.

NOTE: The size of the strip MUST be in proportion to the merchandise it's attached to.

If you utilize a size strip as the product's ticket, contact Vendor Compliance for direction.

NOTE: Folded MENS dress shirts do not require a size strip... although it is encouraged.

The size strip for items with sizes unique to the merchandise, i.e. Petite Small (PS), 18W, etc., must so state.



VICS Hanger Standards and Hanging Guidelines

As a reminder, in Spring 2012, Stage Stores adopted the new VICS black hanger guidelines for all merchandise arriving in the stores.

The following merchandise must be shipped on hangers:

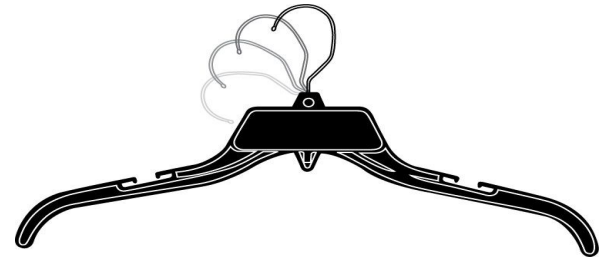
- Any product that the Buyer requests to be put on hangers. (Purchase Order will reflect this hanger requirement.)
- Hangers must be on merchandise, per hanging guidelines.
- Hangers must never be loose or seeded in cartons.

All Hangers must meet the following specifications:

- VICS approved- purchased from one of the below listed approved hanger suppliers (page 21)
- Black with matte finish
- Swivel metal hook
- Effective 7-1-14, Suppliers MUST use "Crown/Cap sizers" on their hangers. NOTE: The proper "sizer" must be used on the proper size garment, i.e. a "small" sizer on a "small" garment, etc.
- NOTE: 'Donut' sizers are NOT acceptable.
- Crown/Cap sizers must be applied on the hanger, i.e. must not arrive loose on the hanger.
- The physical size of the hanger should be appropriate for the garment, below are the SRI *suggested* hanger sizes outlined by department:

Department

Infants/ Toddlers	10" or 12" Top Hanger 8" or 10" Bottom Hanger
Children's/ Junior's	15", 17", or 19" Top Hanger 12" or 14" Bottom Hanger
Women's	15", 17", or 19" Top Hanger 12" or 14" Bottom Hanger
Men's	15", 17", or 19" Top Hanger 12" or 14" Bottom Hanger



TOP HANGER
Additional Option
VICS Approved
Collapsible Hook
Available via Sourcing Solutions Intl



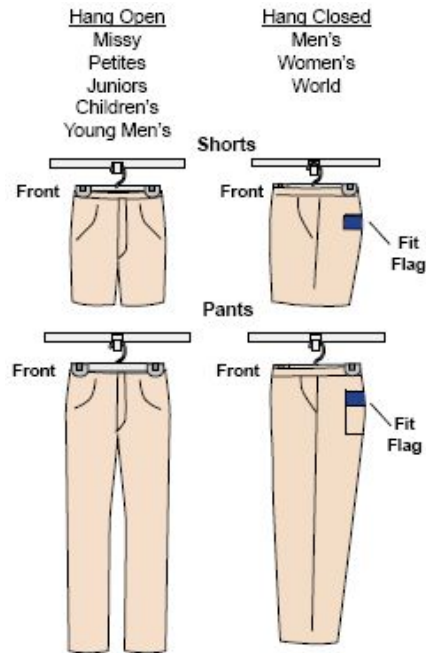
TOP HANGER
Color: Black w/ Matte Finish
Wire Hook
10", 12", 15", 17" & 19"



BOTTOM HANGER
Color: Black w/ Matte Finish
Wire Hook
8", 10", 12", & 14"

Hanging Guidelines:

- Hangers should always be positioned with open end to the left.
- SRI prefers that suppliers not use “hanger strings” looped/utlized over the hangers as they can interfere with sortation. However, SRI understands that such use is sometimes needed. If you have an option, use non-slip foam cover on hanger to prevent slipping if needed.
- All items should be buttoned, buckled, zipped, or snapped.
- Product should be steamed and wrinkle free (See violation code # 21B)



Approved Hanger Vendors- ADVISE Hanger Supplier That Specific Order is for Stage Stores

- Mainetti Group USA Contact: Irma Mendoza 562-484-1012 or Irma.Medoza@Mainetti.com
- Uniplast Industries (800) 225-0058
- Braiform (Includes “Plastiform”) Hangers NC (800) 738-7396; (CA) (800)283-0010; (NY) 800-426-4372
- GOH International East Coast- Laura Morrissey 732-276-1879; West Coast- Joe Weinmann 951-972-8865; or sales@goh-intl.com
- Sourcing Solutions (201)244-8817, www.ss-intl.com
- Terpac Plastic International, Inc. Antoinette Giorgi (800) 487-3974 (Contact name update 6-7-16)
- Visconti Garment Hangers, 866-484-6012, orders@viscontihangers.com , www.viscontihangers.com
- Capco Wai Shing (CWS), Francine Harkes (877) 777-7173, ext 402; or 201-407-1718

NOTE: Will allow the purchase & use of RECYCLE (re-use) hangers. SRI has a preferred supplier of recycled hangers:

- JDM Sorting 732-750-1612 www.JDMsorting.com kmendez@JDMsorting.com

Suppliers that do purchase recycled hangers must contact VendorCompliance@StageStores.com along with their supplier # to notify SRI that you will be utilizing recycled hangers.

NOTE: The use of C-Beam type hangers is acceptable from the above approved suppliers as long as they remain within the above listed hanger size guidelines.

Exceptions to the black hanger policy:

The following categories are exempt from the Black Hanger Requirement- however, if the merchant desires the product ‘on hangers’, suppliers MUST use appropriate hanger for the merchandise. These categories include:

- Men's & Women's Suits
- Coats/Heavy Outerwear: 3320 HD Hanger
- Infants
- Toddlers/Girls-Boys (2T-8)
- Intimate Apparel
- Weighted Sweaters

NOTE: Hanger SIZERS are still required for the above categories where applicable.

Hanger SIZER Guidelines:

Effective 7-1-14, Suppliers are REQUIRED to place CROWN/CAP SIZERS on each hanger where the merchant requires the merchandise to be on hangers.

Below is a sample of the Stage Stores required SIZER.

- This is a "Crown" sizer.
- Effective: 7-1-14
- NOTE: Black background, white text
- Supplier MUST place the correct sizer on the correct size, i.e. Small on Small, etc. See 18B non-compliance charge.
- The sizer must arrived "LOCKED" on the top of the hanger- not loose.
- If garment has an inseam, i.e. size 38 x 30, then your sizer must reflect BOTH the waist and inseam. (See compliance code: 18C)
- Petite merchandise MUST contain a sizer that states as such, i.e. size "Petite Small" = "PS" and not simply "Small".
- "Plus Sized" merchandise MUST contain a sizer that states as such, i.e. "14W" or "14 Woman".

**Packing Instructions**

The goal in our Distribution Center is to take advantage of all available technology to enhance our efficiencies and improve upon our management of the supply chain. Our current methodology handles both cross-dock and bulk orders. At SRI, cross-dock means your shipment is packed by store, 100% accurate, received 100% Floor Ready, is accompanied by a carton level ASN, and moves quickly through our Distribution Center without any merchandise handling.

All merchandise requiring redistribution handling (Bulk Orders) will be subject to a 2% Distribution Allowance. The Distribution Allowance will be automatically deducted from every invoice by Accounts Payable.

SRI supports three types of Purchase orders:

- Bulk no pre-packs
- Bulk with pre-packs
- Pack by store

Note- if unsure of order type, please contact the appropriate buying office. The supplier **MUST** pack the ordered merchandise per the requirements stated on the purchase order itself.

All shipping cartons must be in accordance with the following carton size and weight requirements:

Minimum: Weight 5 pounds, Length: 9" - Width 6" - Height: 4"

Maximum: Weight 50 pounds, Length: 36" -Width: 22" - Height: 24" - carton must not be more than 130" in length and girth

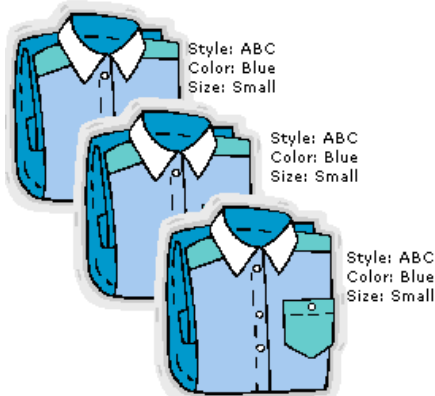
Additional general packing instructions:

- Cartons **MUST** be sealed completely so that none arrive opened/unsealed. SRI understands that some issues cannot be avoided, however the supplier must take reasonable care to ensure their cartons remain sealed. (See new violation Code 21H)
- Use minimum 1" width tape to seal polybags. Do NOT use 'scotch-brand'-type, i.e. cellophane-type, tape or staples to seal polybags. Boxed Home Excluded. (See code 21K) The bag must be sealed in such a fashion as to reasonably prevent items from falling through any attempted 'sealing'. NOTE: This 'new' verbiage is simply a clarification of a previous direction. Suppliers with concerns/questions regarding this direction are encouraged to contact Stage Vendor Compliance BEFORE you ship.
- Merchandise meant to be sold and/or shipped with additional accessories/jewelry must be packed in such a fashion as to prevent such additional items from being entangled with other shipped merchandise. (See 21B violation)
- Hanger hooks **MUST BE** exposed and not sealed within the polybag. (See 17H violation). This requirement applies to all types of shipments, i.e. BULK, Prepack, and PBS.

Packing instructions for Bulk Pack Orders (no prepack):

- A carton can only contain one UPC. A UPC is defined as one style, one color, and one size. Do not bundle contents of carton.
- Fragile shipments must contain "Re-shippable Inner-packs". These re-shippable inner-packs must use corrugated packing materials of at least 225# and a container that will prevent product movement and breakage once it is removed from the Master Carton. This is necessary in order to reship independently to a specific store without incurring any damage. There will be a charge to the vendor for the full product amount for any damages that occur to the inner pieces.
- Do not combine or mix Purchase Orders or Department Numbers in the same carton (authorized vendors excluded).
- Cover each garment with a clear, dry cleaning style plastic (1 mil) bag, to prevent wrinkling or soiling. Bag must be sealed at bottom. (Phrase 'if hanging' removed.) NOTE: This requirement also applies to any merchandise that could benefit from the application of a cover where the merchandise could reasonably be 'damaged' without such a cover. (See Violation Codes 21D & 21K)
- Hanger hooks **MUST BE** exposed and not sealed in the polybag. (See 17H violation.)
- All sets and coordinates with two items hung on interlaced hangers with one UPC must be packaged together, top/bottom on same hanger or bundled in a clear poly bag.
- All related separates ordered as a set, must be sent in the same shipment with the same Bill of Lading and arrive on the same trailer/container.

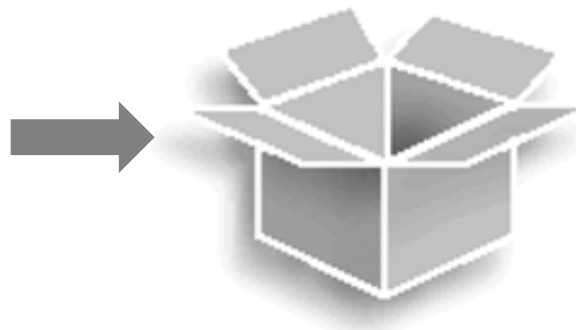
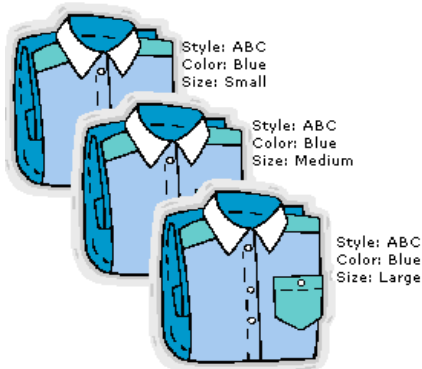
BULK: Example of One color, One Style, One Size in a carton



Packing instructions for Bulk Pack Orders (with prepack): Note- Bulk prepack is NOT 'pack by store'

- A carton can only contain a unique pre-pack size run per the actual purchase order. Cartons can contain as many of the unique style/color pre-pack size run that will fit into a carton without exceeding carton dimensions/weight.
- Cartons shipped must be marked with the pre-pack detail/breakout printed on the shipping labels.
- Cover the BULK prepack with a clear, dry cleaning style plastic (1 mil) bag, to prevent wrinkling or soiling. Bag must be sealed at bottom. (NOTE: Phrase 'if hanging' removed.) (See Violation Code 21D/ 21K)
- All "Pre-Pack" orders must be packed as ordered. ***Broken packs are not acceptable.***
- **NEVER** combine multiple Purchase Orders in the same carton.
- All sets and coordinates with two items hung on interlaced hangers with one UPC must be packaged together, top/bottom on same hanger or bundled in a clear poly bag.
- Bags must be sealed at bottom.
- All related separates ordered as a set, must be sent in the same shipment with the same Bill of Lading and arrive on the same trailer/container.
- Pre-packs must be packaged in poly-bag and bundled as one unit (bundle hangers with string, twine, fabric ties, or rubber bands). **If using 'fabric ties', fabric length after the knot must NOT exceed 4"**. **Do NOT use ZIP-TIES.** Bra hangers are exempt from this bundling requirement.
- Alternate top and bottom carton placement approximately every 6 hangers to eliminate excess bulk, maximize cube, and prevent shifting.
- NOTE- Supplier requirement for the placement of a PACK UPC on the exterior of a Bulk Prepack order has been REMOVED.

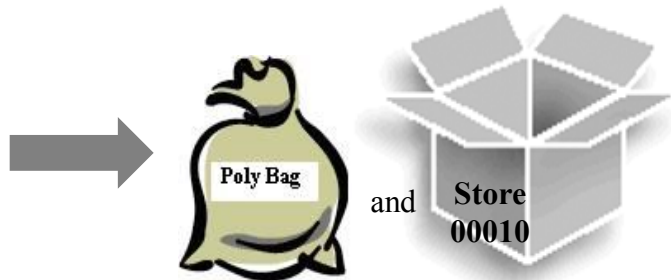
Bulk Pack Orders:
Example of One color, One Style, Multiple Sizes in a pack



Packing instructions for Pack by Store Orders: (PBS)

- A carton/poly bag can contain more than one UPC- per the actual Purchase Order.
- **NEVER** combine or mix multiple Purchase Orders in the same carton.
- All sets, including related separates ordered as a set, must be packaged together with top/bottom on same hanger or bundled in a clear poly bag.
- To prevent merchandise damage, all items packed within a PBS carton must be enclosed within a polybag.
- Suppliers that support a PACK UPC and the order itself was generated with that supplier generated PACK UPC # MUST place a PACK UPC sticker on the pack's sealed exterior poly bag- center of poly bag preferred. See 13D violation. **(Min pack UPC sticker size: 1" x 2". This updated sticker size was announced on 8-1-16.)**
- It is the INTENTION of PBS to have as much merchandise meant for 1 store packed within a single carton.

Example of Pack by Store:
You can pack multiple UPC's in one carton or poly bag going to the same store



Master Packs:

In the event that your cartons **do not meet our minimum size dimensions and/or weight requirements**, you should package multiple styles for one purchase order in one carton. To master pack, please follow the steps below (This applies to all orders shipped in masterpacks regardless of size):

- Where appropriate, master packing must be done with poly bags. (Internal cardboard cartons ‘may’ be used when needed to secure the integrity of the internal shipped merchandise.)
- Poly bag must be separate for each style, color, and size **or** for a specific store for Pack by Store.
- Each polybag must support- without tearing or bursting- the merchandise packed within. See 21H violation.
- Each poly bag must include a GS1-128 shipping container label attached to the outside of the polybag. Do NOT place a GS1-128 on the outside of the master carton. (FYI- The ‘master carton’ is the carton than contains all the individual master packs.) Create a carton label with the required information (ship to, ship from, PO#, and dept #) exclude the GS1-128 barcode and place on the outside of the master carton. Listed information on carton exterior **MUST** be accurate.
- Never use a GS1-128 label as the mechanism to ‘seal’ a polybag.
- Write or attach a label that states, “Master pack” on the outside of the master carton on or adjacent to the ship to and from label. **(See non-compliance CODES 03I & 03J)**
- Cartons received outside of minimum size requirements and not master packed will be subject to non-compliance charges. (See Violation Code 37)
- The total number of master pack cartons must be entered in TMS
- The total number of handling units (cartons/pallets) must be listed on the BOL. The supplement to the bill of lading form (on page 53) can be utilized to list additional detail on the master packs.

Example:



Additional General Packing instructions:

- Product to be sold in a box must be placed and shipped in that box.
- ASN Vendors: The ASN replaces the packing slips. **Packing slips are not to be utilized.**
- Merchandise should be packed ‘flat’, lengthwise in cartons. If the merchandise must be folded, use no more than one fold, at the bottom of the garment.
- Merchandise designated to be hung must be shipped on hangers. **NEVER** send hangers in cartons. (See Violation Code 18)
- Delicate items should be placed on top to prevent crushing.
- If improper carton handling during transportation could cause wrinkling, use “THIS END UP” labeling.

- If shipping a product that could be adversely affected by extreme heat, i.e. Chocolates, candles, wax tarts, (NOTE- list not complete), suppliers are REQUIRED to place a version of the warning “Keep away from extreme heat” on the carton’s exterior in an effort to avoid potential product damage.
- A vendor compliance charge of \$350 will be assessed if your merchandise requires pressing, poor quality or variance in length and size. (See Violation Code 21B)
- Mark all fragile cartons with a fragile label. Use corrugated packing materials of at least 225# and a container that will prevent product movement and breakage. Individual shipping unit must be suitable to be shipped separately.
- Do not use any of the following materials when packing:
 - Pins
 - Tape
 - Clips
 - Tie Backs
 - Excessive tissue paper
 - Removable Foam Inserts on bottom hangers
 - Excessive paper
 - Excessive cardboard or any other material that will require removal
- **SAFETY NOTE:** Do not use safety pins, straight pins, or pins of any type on any merchandise in any category for any reason (except men’s packaged dress shirts).
- Seal cartons securely with tape. Do not place bands, straps, or string on cartons as they may damage our sortation equipment.
- All cartons should be sealed with tamper proof, reinforced tape. All openings on all sides of the carton, including edges must be sealed.
- Use a shipping carton that fits the garment. Ideally merchandise should be packed ¼” below the top of the carton, and 1/8” from the sides of the carton. Do not over-pack cartons. (See Code 21J Violation)
- Carton strength should be a minimum of 32 ETC (edge test crush) to prevent crushing during transit. Large or heavy cartons may require a higher ETC.
- Do NOT use “Packing Peanuts” - See 21A Violation
- Where appropriate, suppliers MUST include INSEAM # in garment, i.e. 34x32, where “32” is the inseam.
- On PBS (pack by store) orders, even though the internal garment bag is not required to be sealed, if the garment bag on a PBS order is being used as the ‘carton’, i.e. the GS1-128 label is applied to the garment bag itself, then the garment bag MUST be sealed. (21D & 21K violation)
- Basically any polybag that has a GS1-128 label attached to it MUST have the bag itself sealed- either PBS, BULK SOLIDS or BULK PACKS. (See 21D, 21K & 06A violations).

IMPORTANT:

Suppliers utilizing POLY BAGS are to print a “SUFFOCATION” WARNING on the polybag’s exterior using the verbiage found in ADDENDUM “A” on page 63 of this guide. NOTE: Please review page 63 for all such requirements.

Care Labels:**Special Note about “Garment Care Labels”**

CARE LABELS: Garments MUST have a care label appropriately placed on the garment & CARE LABELS are required.

Suppliers are encouraged to have “Bilingual Labels”, i.e. English & Spanish. While the ENGLISH VERSION of a care label is required, SRI is encouraging suppliers to have both English & Spanish Care Label verbiage on their garments.

NOTE: This guide does not dictate the placement of the item’s ‘CARE LABEL’. As a generic statement, the CARE LABEL must be easily visible/locatable by the consumer.

GS1-128 Carton Labeling Requirements

Every carton being shipped to SRI distribution centers is required to have a compliant GS1-128 (formerly UCC-128) label. These logistical labels play a critical role in efficiently moving merchandise through Stage Stores' supply chain.

- SRI requires that you follow the GS1 US specifications when producing the GS1-128 label. You can contact them at 609-620-0200 or visit their website at www.gs1us.org.

GS1 US (formerly the Uniform Code Council)

GS1 is the global standards authority for item (UPC /EAN) and logistical numbering. In addition to managing numbering assignments, GS1 provides the retail industry guidelines for supply chain identification. Every country has a regional organization and GS1 US is the non-profit organization in the United States. Stage Stores' label requirements are based on the guidelines from the GS1 General Specifications 12.0. For detailed information regarding GS1 Identification, visit www.gs1us.org or www.gs1-128.info.

GS1-128 Label Certification

SRI has selected Bar Code Graphics, Inc. as the third party testing agency to certify suppliers for GS1-128 label compliance. Ship point certification of label compliance is critical to achieving an efficient supply chain. Suppliers should certify their GS1-128 label formats whenever software, hardware, or material is changed. Please visit <http://stage.tradingpartner.info> for information.

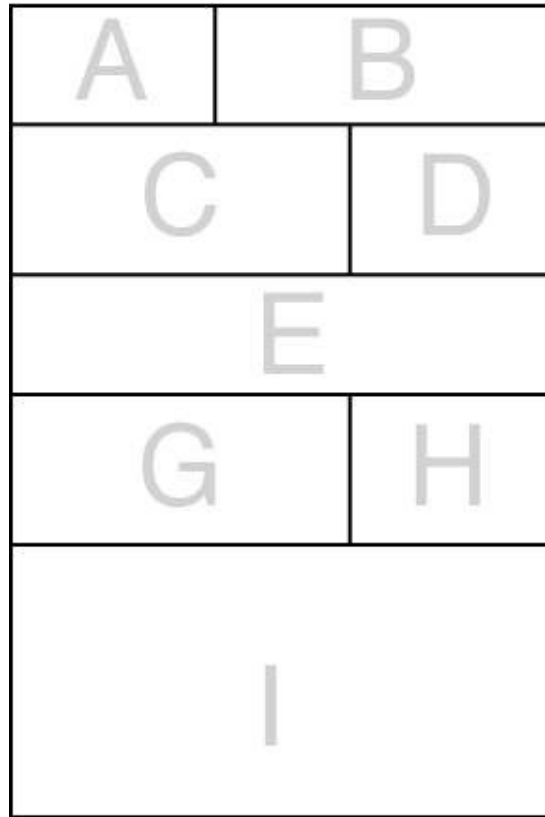
Examples of the three SRI label types are as follows: Bulk SINGLE UNITS, Pre-Pack Bulk, and Pack-by-Store. Please select the label that reflects how the merchandise is packed. Failure to provide the required information will be considered non-compliant and will be subject to non-compliance charges.

It is important to note that COLOR NAME on the GS1-128 label MUST match the information your company entered into your GXS electronic catalog. The FULL name of the color MUST be used (Up to your system limitations)- with NO abbreviations.

The GS1-128 label MUST be firmly attached to the proper carton side. (See 16D violation.)

It is also important to note that the facility/store # found in ZONE H of the 128 label MUST be shown using 5 total digits. For example: For BULK orders going to facility # 601, it must be printed as 00601. For a "Pack By Store" order going to store # 204, the store # must be printed as 00204.

ZONE
BREAKDOWN




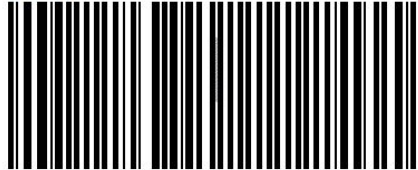
These are **SAMPLE VERTICAL** layout labels. Examples of **Horizontal/Landscape GS1-128** layouts may be found in **Addendum F** starting on **page 67**.


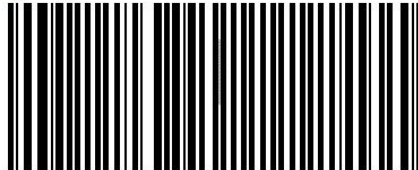
BULK-SINGLE
UNITS

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip	
SHIP TO POST (420) 60950 		Carrier: ROADWAY B/L: 213456	
PO #: 45998666	SIZE: M	STYLE : 9867	
DEPT: 1234	QTY: 1	COLOR: Yellow	
G		FOR STAGE STORES WAREHOUSE 00601 Jacksonville, TX 75766	
(00) 0 0712345 00000001 9 			

PRE-PACK BULK

PACK-BY-STORE

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip	
SHIP TO POST (420) 60950		Carrier: ROADWAY	
		B/L: 123465	
PO # : 45998666		STYLE : 9867	
DEPT: 1234		PPK QTY: 1 COLOR: Yellow	
SIZE	XS	S	M
QTY	1	1	1
G		FOR STAGE STORES INC.	
		00601 Jacksonville, TX 75766	
CARTON: 1 of 17			
(00) 0 0712345 000000001 9			
			

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip	
SHIP TO POST (420) 60950		Carrier: ROADWAY	
			
PO # : 45998666		CARTON: 1 of 17	
DEPT: 1234		PIECES: 12	
G		E	
G		FOR STAGE STORES INC.	
		00205 Jacksonville, TX 75766	
CARTON: 1 of 17			
(00) 0 0712345 000000001 9			
			

The above are generic SAMPLE labels. Labels must be populated with supplier's actual data.

ZONE SPECIFICATIONS

ZONE A SHIP FROM

Title FROM
 Height 1.0 inch [25.4 mm] Width 1.25 inch [31.75 mm]
 mm] Characteristic Mandatory
 Data Content Supplier name and address of ship point
 Data Source Supplier
 Text Size 8 to 10 points

ZONE B SHIP TO

Title TO
 Height 1.0 inch [25.4 mm]
 Width 2.75 inch [69.85 mm]
 mm] Characteristic Mandatory
 Data Content DC #00601 must be addressed as: Stage Stores Distribution Center

506 Bealls Blvd. Jacksonville, TX
75766

NOTE: Delivery addresses MUST MATCH EXACTLY to the examples given.

DC #05099 must be addressed as: Stage Stores Distribution Center
3 Peebles St.
South Hill, VA 23970

DC # 05899 must be addressed as: Stage Stores Distribution Center
150 State St.
Jeffersonville, OH 43128

Data Source 856 Segment N1

ST Text Size 12 to 14 points

ZONE C CARRIER ROUTING BAR CODE

Title Postal Bar Code

Height 1.0 inch [25.4mm]

Width 2.5 inch [63.5mm]

Characteristic Mandatory

Data Content 5 Digit Postal Zip Code

Data Source Zip code from Zone B above

BAR CODE

SPECIFICATIONS:

Bar code symbology GS1-128

Height 0.5 inch [12.7mm]

X-Dimension 0.0196 inch [.508 mm] minimum

Quiet Zone 0.25 inch minimum. Each Quiet Zone preceding and following the bar code. Bar Code Print Quality Minimum ISO/ANSI grade of "C" with 10 mil aperture

ZONE D CARRIER ROUTING INFO

Title Carrier Routing

Information Height 1.0 inch [25.4 mm]

Width 1.5 inch [38.1 mm]

Characteristic Mandatory

Data Content Carrier Name, Bill of Lading# (optional)

Data Source 856 Segment TD and REF BM

Text Size 12 to 14 points

ZONE E TRADING PARTNER INFO

Title Trading Partner INFO

Information Height 1.0 inch [25.4 mm] Width 4.0 inch [101.6 mm]

Characteristic Mandatory

Data Content **For BULK SINGLE UNITS:** PO#, Dept., Size, FULL COLOR NAME, Style, Quantity all REQUIRED. Sequential Carton Count is optional

For PRE-PACK BULK: PO#, Dept., FULL COLOR NAME, Style, Pre-pack Breakout Detail, NUMBER of PREPACKS All Required (Example: If 2 – 6pc packs in carton, # of PPks = 2). Sequential Carton Count optional

For PACK-BY-STORE: PO#, Dept., # of Pieces REQUIRED in that carton. Sequential Carton Count is optional

(NOTE: Any additional INFO detailed on the GS1-128 label MUST be accurate.)

Suppliers using a carton contents labels MUST place this label directly to the left of the GS1-128.

Data Source 856 Segments PRF, REF DP, SN1 and HL

Text Size 8 to 10 points

ZONE G FINAL DESTINATION BARCODE

At this time, Stage Stores is not utilizing the Final Destination barcode. This may be added in the future.

ZONE H FINAL DESTINATION TEXT

Title	Not Applicable
Height	1.5 inch [38.1 mm]
recommended. Width	1.5 inch [38.1 mm]
Characteristic	Mandatory
Data Content	Mark For DC# or Final Destination Store# (Must be 5 digits in total- pad with leading ZEROES if needed.)
Data Source	856 Segment N1 BY will contain the appropriate number
Text Size	18 to 48 points (Font size effective 2-1-17- however suppliers can update now)

ZONE I SERIAL SHIPPING CONTAINER CODE

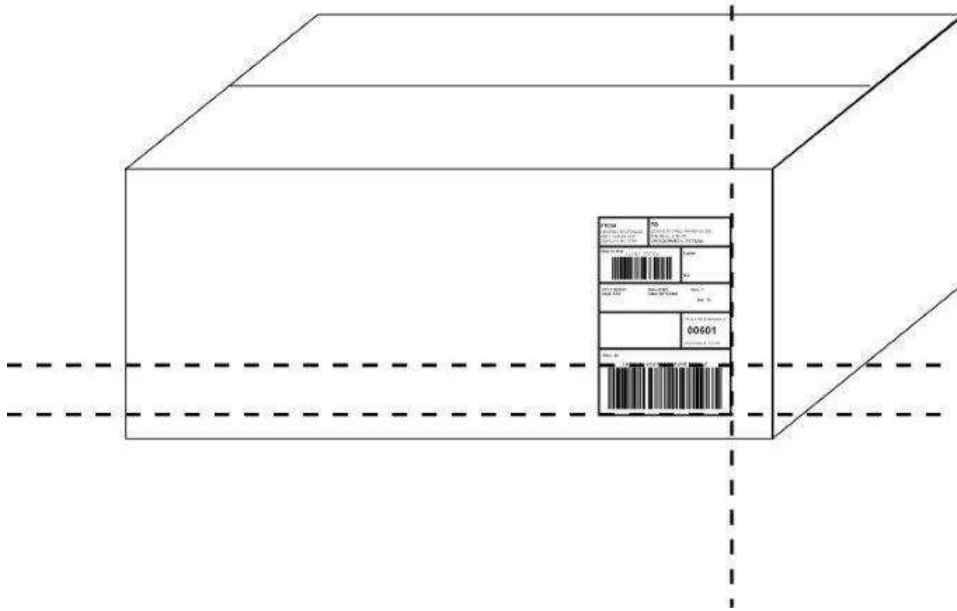
Title	SSCC
Height	1.5 inch [38.1 mm]
Width	4.0 inch [101.6
mm] Characteristic	Mandatory
Data Content	Serial Shipping Container Code SSCC-18 generated by the shipper
Data Source	856 Segment MAN GM will contain the number
	Note: Per GS1 Guidelines, an SSCC-18 number shall not be reallocated within one year of the shipment date.

BAR CODE SPECIFICATIONS:

Bar code symbology	GS1-128
Height	1.25 inch [31.75 mm] minimum
X-Dimension	.0196 inch [.508 mm] minimum
Quiet Zone	0.25 inch minimum. Each Quiet Zone preceding and following the code.
Human Readable	Human readable #'s (Min FONT size 12) MUST be printed on GS1-128 label in this Zone
Bar Code Print Quality	Minimum ISO/ANSI grade of "C" with 10 mil aperture

Label Placement/Quality Guidelines:

- Each carton is required to have one GS1-128 label.
- Labels must be placed on the longest side of the carton in the lower right hand corner as detailed by the illustrations found on page 32 of this guide. For cartons with equal width and length dimensions, the longest side of the carton is considered to be the panel which runs parallel to the top flap seam of the carton.
- Place carton in an upright position. Barcode must be read vertically. Do not place sideways or diagonally.
- The SSCC-18 bar code on the carton label is recommended to be 1 - 2 inches from vertical edge of the carton & ½" to 1" up from horizontal edge.
- Do not place SSCC-18 over a flap seam or around the corners of a carton.
- Do not place tape or packing materials over any bar code.
- Place only 1 GS1-128 label on a carton. (See 16F-1 Violation)
- If utilizing a carton contents label, this must be 100% accurate detailing the actual contents & placed immediately to the LEFT of the GS1-128. All elements of this content label must be readable. See 16J violation
- If utilizing a 'Fed-Ex' shipping label as your GS1-128 label, please locate as noted above



NOTE: Approved GS1-128 Horizontal (Landscape) label layouts can be found on starting on page 67.

The above GS1-128 label placement requirements remain the same for both Vertical (pictured) and Horizontal (landscape) designed labels.

No matter the carton height, always place your GS1-128 label in the bottom right hand corner of the carton of the longest side.

If a shorter carton, you may fold over the upper portion of the GS1-128 label.

The GS1-128 label itself must be placed no more than 1 – 2” from vertical edge, and ½” to 1” from horizontal edge- as identified in the above picture.

It is important to note that if the carton height permits, the supplier is required to place the GS1-128 Label on the carton in order to properly display as much of the complete label as possible- including “ZONE E”. Displaying ZONE E will permit Stage to properly view the PO # information without down-stacking the received cartons.

In any case: DO NOT WRAP ANY PORTION OF THE 20-Digit BAR CODE ITSELF AROUND A CORNER, FLAP, or SEAM.

For those shipments routed ‘Small Parcel Carrier’, i.e. Fed-Ex, an example of a properly formatted FED-Ex label can be found in “Addendum K” located on page 76.

Transportation

Transportation Management System

SRI utilizes a “Transportation Management System” (TMS). The SRI system is a web-based system used for routing all in-bound freight to SSI. This system benefits both the Vendor and SRI by the use of an “optimization routing” tool to save time and expense in the Supply Chain.

To utilize the system, please complete the form located on page 50 of this guide. Once TMS setup is complete, an email will be sent to the key contact person with all necessary information and instructions. Please note, setup process can take up to 5 business days. Online form should be submitted **as soon as possible** to allow adequate time for setup process.

All revisions/updates (i.e. address changes, shipping hours or contact information, etc.) must be communicated via email via Traffic@StageStores.com prior to requesting routing. Once you have received confirmation that the change has been made, you may resume the use of TMS. If information such as holiday closures is not communicated prior to requesting routing or on the comments on the SRR, non-compliance charges will be assessed in addition to request being canceled.

1. All shipments for which SRI is responsible for paying the freight must go through the TMS system. Shipments sent at the vendor’s expense do not need to go through the TMS system, but if shipment is over 100 cartons, vendor/carrier must obtain a delivery appointment prior to shipping orders. Reference items # 23 & 24 for additional information on pre-paid appointment request.
2. Vendors must have Internet access and an email address at each shipping location to utilize TMS.
3. Vendors who ship from multiple locations must ensure their TMS profile is associated with multiple shipping points and ensure the vendor has selected the proper shipping location.
4. Vendors should request routing as early as possible.
5. Vendors must request routing at least 48 hours (2 full business days) prior to the cancel date (the cancel date is included in the 48 hrs) on the Purchase Order. If cancel date is on weekend or holiday, first previous business day must be used as cancel date. The following matrix can be used as a guide in entering purchase orders for routing:

PO cancels on	Routing must be requested by	"Ready date" no later than
Monday	Thursday	Friday
Tuesday	Friday	Monday
Wednesday	Monday	Tuesday
Thursday	Tuesday	Wednesday
Friday	Wednesday	Thursday
Saturday	Wednesday	Thursday
Sunday	Wednesday	Thursday

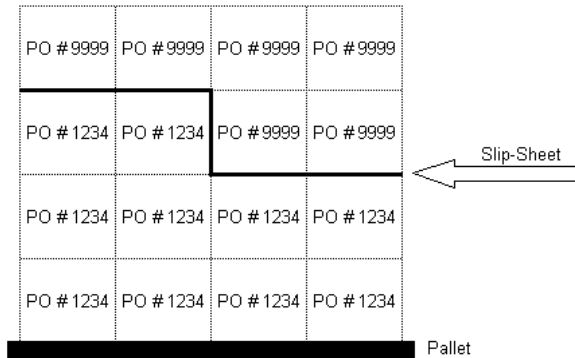
6. Routing requests not received prior to 4:00 pm Central time will be considered as received the following business day.
7. NOTE: Changes can be made to a “Shipping Routing Request”, i.e. SRR, while it is in “Draft or New SRR” status. Once routing has been issued, changes may ONLY be made by contacting the Traffic Department directly. Any changes made to an SRR with any status that is not in “Draft or New SRR” will be subject to vendor compliance charges if the changes result in a disruption of the shipping process and/or additional cost to SSI. (See non-compliance charge 12Z-2)
8. If the vendor does not request routing in time, then the vendor will need to contact the buying department to request an extension. When requesting the extension, please keep in mind that the system requires the cancel date to be at least 48hrs from the current date therefore the cancel date must be 2 business days from the date of the request for an extension.

Example: It’s Monday and your purchase order cancels tomorrow and TMS won’t let you request routing because of the 48hrs rule. The vendor should contact the buying team to request and extension for Wednesday.

9. SRI requires the vendor to have the “date shipment available” (ready date) one full business day **prior** to the PO cancel date. Failure to follow this guideline will result in a non-compliance charge.

Example: If the purchase order cancels on Friday, then the vendor is required to be ready for pickup on Thursday during their normal business hours.

If the vendor requests routing and submits the ready for pickup on the same date as the cancel date the request for routing will not be granted and the vendor will be subject to a **non-compliance charge**.
10. TMS will assign your carrier and/or routing instructions. A system-generated email will be sent to contact email address notifying of assigned routing instructions. Please note the routing notification can contain specific instructions that must be followed for designated carriers. Failure to comply with specific instructions outlined in each routing notification will result in non-compliance charges being assessed up to full cost of freight plus handling.
11. Each shipping location is allowed **Routing** only ONCE per week per ‘ship to’ DC. The vendor will be charged back for **routing** more than once per week UNLESS specific authorization from the Traffic Department is received PRIOR to routing. Suppliers are expected to consolidate both Fashion and Replenishment Purchase Orders on routing requests to meet this requirement of **routing** only once per week. (Chargeback CODE 12D.) Each shipping location is allowed **shipping** only ONCE per week per “ship to” DC. This chargeback is based upon the **available date (ready to ship date)** entered into the request for routing. A chargeback for **shipping** more than once per week will be issued UNLESS specific authorization from the Transportation Department is received PRIOR to entering a 2nd request. Suppliers are expected to consolidate both Fashion and Replenishment Purchase Orders on routing requests to meet this requirement of **shipping** only once per week. – (Chargeback CODE 12X). For 3rd party warehouses, please note, each shipping location (warehouse) can only request routing and shipping one time regardless of how many vendors ship from this warehouse (per DC). All vendors must coordinate a weekly shipping date to ensure this requirement met. Chargeback will be issued to the 2nd vendor that routing/shipping is requested.
12. SRI will only pay freight against a purchase order one time from the same shipping location. A charge back will be assessed on the second or subsequent shipment(s) against the same purchase order that is shipped freight collect. Any duplicate request(s) will be considered a “shipment” and a non-compliance charge will be assessed. If a carrier has not been assigned, duplicate request(s) must be cancelled.
13. When scheduling a pickup using TMS, accuracy of shipment information (carton quantity, cubic feet, pallet count, amount palletized, ready date and/or pick up time, etc) is critical. TMS builds truckloads with multiple shipments from multiple vendors. Failure to provide accurate information and/or failure to complete pickup in a timely manner could cause disruption to the shipping process. For this reason, the vendor will be subject to a charge for the **full cost of freight** of all shipments associated with the error. (See Violation Code 12I) Examples of inaccurate information (include but not limited to): listing palletized freight as loose freight, late readiness, over-shipping, poor loading, etc.
14. If the TMS assigned carrier does not show up as scheduled or if product does not fit, please send email to traffic@stagestores.com a minimum of an hour prior to the facility closing.
15. Vendors who ship on pallets must adhere to the following guidelines.
 - Pallet dimensions must be 40” x 48”
 - Merchandise stacked on pallets must be no taller than 48 inches to allow for double stacking.
 - TMS entry must be marked as “Stackable” or “Non-Stackable” and cube MUST be entered accurately in TMS System to account for pallet(s).
 - When shrink wrapping pallets, please follow National Motor Freight Requirements, 4 wraps around the bottom and 3 wraps around the top.
 - Every reasonable effort should be made to load pallets with labels facing out. Pallets should be loaded by purchase order, then by style. A reasonable effort should be made to insure that only one purchase order is on a pallet. If this is not possible, please layer the pallet and use slip-sheets to separate purchase orders. Failure to do so may result in a non-compliance violation.
 - Routing will not be granted for non-stackable pallets unless authorization is obtained from the transportation department. Authorization will only be granted on fragile (breakable) product(s) and pallet(s) must be built to 92” high.



16. Calculating Load Volume

Calculating the Cubic Feet of a Shipment

Weight and cubic feet are determining factors used when coordinating the proper transportation mode of a shipment. Therefore, it is IMPERATIVE that the vendor provide accurate cubic feet information when requesting routing. Failure to provide proper cubic feet information will result in non-compliance charge(s) assessed.

Method of Calculating "Cubic Feet": For all cartons of the same size, multiply carton length by carton width by carton height & divide by 1728. This is the carton's cubic feet. This number times the number of same size cartons in a shipment = the total cubic feet. Please include pallets in cube calculation when shipping on pallets.

EXAMPLE: Carton size: 25" long x 14" wide x 12" high. Calculation: 25x14x12 = 4200". Divide 4200" by 1728 = 2.43 cubic feet. If 900 cartons of the same size carton, then 2.43 x 900 = 2187 total cubic feet. Of course, if your shipment has different size cartons, this calculation has to be performed for each size and quantity of that carton size and then added for a grand total cube.

17. For all multi-stop and volume shipments, vendors are required to sign the Bill of Lading **Shipper Load and Count**. Failure to comply with this policy will result in a non-compliance charge. Any vendor warehouse that requires Driver Load and/or Count must note such on request entered into TMS. Please note vendor will still be subject to driver assistance accessorial charges. Failure to note driver assist in TMS could result in non-compliance charges. (See Violation Code 12J)
18. Free time has been modified for all TRUCKLOAD CARRIER SHIPMENTS as follows: Each pickup has 1hr of free load time excluding pickups with more than 1500 cube. Shipments with more than 1500 cube have 2hrs of free load time. A chargeback will be assessed for any additional time over the free time allowed.
19. You are required to seal any truckload trailer SRI schedules to pick up your freight. This seal # must be written on all Bill of Lading copies. Any trailer that is not properly sealed and documented could result in a claim against your company.
20. SRI will not pay any accessorial charges for any shipment. Any accessorial charge received will result in a non-compliance charge. Accessorial charges include but are not limited to detention, wait time, truck ordered not used, sort and seg fees (LTL carriers), etc.
21. If shipping loose cartons, product must be loaded on the trailer by purchase order, then by item. Failure to do so may result in a non-compliance charge.

22. Any shipment that is being shipped pre-paid (at the vendor's expense) is exempt from using TMS. Freight cost associated with pre-paid shipments will not be reimbursed in any manner.
23. All vendor prepaid inbound shipments/deliveries over 100 cartons require an appointment. Delivering carrier must send appointment request to appointment@stagestores.com. If a pre-paid trailer/shipment arrives at the Distribution Center without advance notice and a scheduled time, or after the scheduled window, the vendor will be subject to a non-compliance charge. SRI will not pay for any DRAE/storage charges for prepaid freight. All appointment requests must include the following information:
- Delivering carrier name and SCAC code
 - Stage DC location shipment delivering to
 - Live unload or Drop trailer appointment
 - Trailer #/Container #/Pro #
 - PO (s)
 - Carton count (listed by PO)
 - Weight (listed by PO)
 - Palletized or loose freight
- Please note all appointments are assigned based on delivering DC availability.*
24. Pre-notice is REQUIRED for delivery of supplier prepaid containers/truckloads at least 2-weeks PRIOR to the delivery at Port/DC. The Traffic Department must be advised as to the estimated day of delivery and ETA should be updated weekly until the load is scheduled for delivery by the carrier or released from the Port/Rail. This 2 week pre-notice MUST include:
- Live Load or Drop Appointment Needed
 - Delivering Carrier Name/SCAC Code
 - PO(s) with carton count listed for each PO
 - FOB Point
 - Container/Trailer/PRO #'s
 - Palletized or loose freight
- Send this pre-notice to: Appointment@Stagestores.com
- Delivery of prepaid containers shipped Port of Entry MUST deliver to the closest port to the destination DC. Non-Compliance charges will be issued if freight is shipped to the incorrect port:
- Jacksonville, TX (00601) Port of Dallas, TX
 - South Hill, VA (05099) Port of Norfolk, VA
 - Jeffersonville, OH (05899) Port of Columbus, OH
25. As agreed to upon supplier set-up, shipments from NY/NJ Zip Codes 10000 – 11900, 07000 – 07900, 08000 – 08900 MUST be FOB Consolidator. The entire states of CA, NH, MA, ME, PA, RI, and VT must be FOB Consolidator. This means that on shipments routed to the SRI Consolidator, SRI will pay the freight to the consolidator, and SRI will then generate a charge back to the supplier for all costs associated with this pick up.
26. For some freight chargebacks (Example 12D, 12X ... etc.), the chargeback PO will be the first PO entered into the SRR. The chargeback is based upon the shipment and not the individual PO. Chargebacks 12E, 12U and #37 are PO specific.

Fine Jewelry Vendors:

1. All Fine Jewelry Vendors shipping to SRI for the first time should contact the transportation department for guidelines on how to ship. Watches are **not** considered Fine Jewelry.
2. Any insurance fees added to shipments destined for SSI, will be assessed back to the vendor through a remittance deduction.
3. The ASN replaces the packing slip; packing slips are no longer required. Pack-by-Store Orders that consists of fine jewelry, costume jewelry, and/or watches received with packing slips will be considered non compliant and will be subject to a non compliance charge.
4. Fine jewelry, costume jewelry and watch, vendors must ship in poly bags and master pack their merchandise.
5. If shipping via small parcel carrier, small parcel shipping requirements on page 37 must be followed.
6. Failure to comply with any of the policies and procedures outlined in the transportation section could result in a chargeback. (See Violation Code 12V)
7. Vendors are required to enter SSI 8 digit purchase order# (no Alpha) in the PO Field in the FedEx Package Level Detail (PLD) compatible shipping system.
8. Vendors are required to enter in the 4 digit department # (no alpha) in Reference Field #1 in the FedEx package level Detail (PLD) compatible shipping system.

If TMS directs you to ship via a consolidator please follow the directions below:

1. The consolidator will schedule the pickup of the freight based upon the ready date and time entered into the SRR.
2. Non-stackable pallet(s) must be built to 84"
3. Present all documentation to the pick up carrier.
4. Pick up and handling costs will be charged back to the vendor through a remittance deduction.
5. **Under no circumstance should a vendor allow a consolidator to pick up any purchase order outside of the shipping window unless pre-approved by the transportation department.**

If TMS directs you to ship via Small Parcel Carrier you are required to do the following:

1. Package level detail will be required for Fed-Ex shipping. Fed-Ex Standard Recording Method Books as well as Air or Ground Shipping Documents are not allowed.
2. Vendors are required to enter SSI's 8 digit purchase order # (no alpha) in the "PO Field" in the Fedex Package Level Detail (PLD) compatible shipping system.
3. Vendors are required to enter the SRR (Shipment Routing Request) number (no alpha) in Reference Field #1 in the FedEx PLD (Package Level Detail) compatible shipping system.
4. If you do not have a FedEx PLD (Package Level Detail) compatible shipping method available, then go to www.Fedex.com and register for internet shipping under the shipping page to produce PLD compatible shipping labels, or, go to the Business Solutions page to look at the Automated Shipping Options available from FedEx or approved FedEx vendors.
5. **Under no circumstance should a vendor allow a Small Parcel carrier to pick up any purchase order outside of the shipping window unless pre-approved by the transportation department.**
6. Any insurance fees added to shipments destined for Houston/South Hill divisions, will be assessed back to the vendor through a remittance deduction.
7. Must utilize SCAC FDEG and select Fed Ex small parcel Ground Collect in the Fed-Ex system.

*Failure to ship to the correct DC will result in non-compliance charges.

Vendors who have been approved to ship collateral directly to the designated store location must use the following guidelines:

- Shipping from 1 to 10 cartons with a total weight of up to 200 pounds to one location you must ship by Fed-Ex Ground Third Party Billing to a special account provided by the **Transportation Department**.
- Shipping over 10 cartons or over 200 lbs to one location: Notify the **Transportation Department**
- If expedited shipments are required or if you are not an approved vendor, please contact the **Transportation Department** at Traffic@Stagestores.com for shipping instructions.

IMPORTANT: Vendors MUST have the freight ready for pickup on the date and time entered into the SRR.

Failure to comply with any of the policies and procedures outlined in the transportation section could result in a chargeback based on our violation table (page 42-47) in addition to an administration fee not to exceed \$250.

Bill of Lading

SRI requires an accurate TMS pre-populated BOL form for Collect shipments or VICS Standard (long form) BOL when shipping prepaid.

The TMS pre-populated BOL form is created and available in the TMS portal once the carrier has been assigned.

1. When utilizing the TMS pre-populated BOL form, an "X" must be selected on the "Master Bill of Lading with attached underlying Bill of Lading" for any BOL that prints more than 1 page (only 5 POs per page are listed). Please include SRR(s) and TMS shipment # on the Master Bill of Lading in the special instructions field.

Master Bill of Lading: with attached underlying Bills of Lading

2. All shipments MUST be consolidated & detailed on one BOL using the carrier specified by TMS. Vendor should submit 1 master bill of lading along with all underlying bills of lading when necessary to meet this requirement.
3. A shipping manifest is not considered part of the Bill of Lading contract.
4. All freight routed through TMS must be marked "COLLECT" on the BOL when using a common carrier
5. Each trailer/container must have a unique consolidated BOL representing the entire content of the trailer/container and the corresponding unique ASN.
6. When shipping on pallets, follow the VICS Standard BOL by circling Pallets and Y for Yes in the pallet section, then placing quantity of pallets and type in the handling units section.
7. The vendor generated BOL number must match the ASN.
8. Upon request, vendors are required to EMAIL BOL document for specified carriers to SRI. Request may be communicated via routing notification or email directly from SRI Transportation Dept. Once requested, BOL must be emailed within 48 hours of request.
9. Vendors must ensure all pages of the signed BOL (i.e. supplemental pages) are tendered to the driver.
10. SRI prefers that the "released value" is not included on any collect shipment. If the "release value" is included, the amount must be for the full cost of the purchase order(s) that is being shipped. Any amount less than the full cost of the purchase order(s) will result in a non-compliance charge being assessed and the vendor being fully liable for any loss incurred.

For NON-TMS pre-populated VICs BOL (prepaid), the following requirements are mandatory in conjunction with the above requirements.

1. Cartons must be addressed correctly. Only the Ship To and Ship From sections should be filled out on the BOL for prepaid shipments. Do not fill in "Bill to"," Send Freight Bill to" or "Third Party Bill Freight To".
2. Stage Stores Distribution Center addresses are as follows:
 - a. #00601: Stage Stores Distribution Center 506 Bealls Blvd Jacksonville, TX 75766
 - b. #05099: Stage Stores Distribution Center Three Peebles St. South Hill, VA 23970
 - c. #05899: Stage Stores Distribution Center 150 State Street Jeffersonville, Ohio 43128
3. Each Purchase Order, corresponding department number, carton count and weight must be listed/itemized on the BOL. The vendor assumes liability for shortages where this information is not itemized on the BOL. If the BOL does not allow enough space to list each purchase order, vendor must utilize the VICS approved Supplement to the BOL. Vendors must list pos on initial page of BOL before utilizing the supplemental page for additional room. Information on BOL must match information entered into TMS.
4. The total number of handling units (cartons/pallets) must be listed on the BOL. The supplement to the bill of lading form (on pages 49-51) can be utilized to list additional detail on the master packs.
5. Vendor must include the department number in the additional shipper information section.
6. Vendor must include the SRR (Shipment Routing Request) number assigned by TMS on the BOL in the special instructions section. SRR number must be labeled as SRR #.
7. Vendor must include the TMS shipment number in the special instructions sections. The TMS shipment # is provided in the freight routing notification email and is different than the vendor generated BOL number. BOL number must be labeled as BOL #.
8. The BOL document must also contain contact name, telephone, and fax number in case of a refusal. Please add the contact information to the Ship From section on the Bill of Lading.

Failure to comply with any of the above outlined requirements will result in non-compliance charges to be assessed up to the full cost of freight plus handling charges. Any information outlined above that is not filled out completely and accurately according to the shipment released to the carrier, will be subject to non-compliance charges.

Accounts Payable

Purchase Order Verification:

1. SRI pays invoices when the Purchase Order is complete, based on standard terms. Terms are based upon receipt of goods date not invoice date. SRI does not pay partial Purchase Orders upon receipt.
2. Telephone orders, verbal commitments, handwritten orders or worksheets are not acceptable and will not be honored.

810 Invoice Requirements:

1. The following information is required on the **810** Invoice:
 - Your name and address
 - Your invoice number
 - Our Purchase Order Number
 - Total weight of the shipment
 - The freight carrier
 - The exact quantity in units by style, color and size
 - The unit cost must match the unit cost on our purchase order
 - Total cost and units per vendor style, which must match the PO#. All information must match the **856** ASN transmissions.
 - If the purchase order is written in "eaches" then the invoice should be in "eaches". If the purchase order is written in "packs", then the invoice should be in "packs" as well.
 - Total merchandise cost of invoice in U.S. Dollars.
 - The line item total must equal the invoice total
2. The **810** Invoice should only include merchandise line items transmitted at their actual costs. The merchandise line items should not be reduced to compensate for new store discounts, damage or distribution charges.
3. The **810** Invoice must be sent within 24 hours of shipment pickup from vendor's warehouse.
4. No charges or allowances should be included in the **810** Invoice either against line items or the invoice totals. Invoices transmitted with these additional charges and allowances will be rejected, and subject to non-compliance charges.
5. Unless specified in our instructions, we do not pay for insurance.

Manual invoicing procedure:

SRI requires all vendors to transmit the **810** Invoice. However, in the event of an approved exemption, vendors must follow the manual process as listed below and mail invoice to the SRI Accounts Payable Department. Do not send a manual invoice if electronic invoice is to be sent. *Note: failure to provide **810** invoices as required without an approved exemption will result in a vendor compliance charge.* (See Violation Code 07B)

1. Only one invoice per BOL per valid purchase order is permitted.
2. Each invoice must contain the following:
 - Vendor name and remit to address
 - Invoice date, which must reflect your shipment date.
 - A numeric invoice number
 - Purchase order number (only one PO# per invoice)
 - Department number
 - Ship To Address. If packed by store order, include the store name and number.
 - Carton count

- Total cost and units per vendor style, which must match the PO#. All information must match the 856 ASN transmission. If the purchase order is written in “eaches” then the invoice should be in “eaches”. If the purchase order is written in “packs”, then the invoice should be in “packs” as well. Basically, the invoices must reflect exactly how the PO was written. (See Violation Codes 16K, 07B)
 - SRI will not accept hanger or ticketing fees on separate or original invoices.
3. Freight charges added to merchandise invoices will not be accepted.
 4. Unless specified in our instructions, we do not pay for insurance.
 5. Do not send or include your invoices with merchandise shipments. Invoices sent with shipments will be disregarded.

Unpaid Invoice Inquiries

To request payment on an unpaid invoice, the vendor must email the SRI Accounts Payable Department at VendorRelations@StageStores.com.

SRI will provide check numbers for payments that are more than two weeks past due. *If you require a copy of a cancelled check, there will be a charge of \$25 per check.

Accounts Payable Vendor Correspondence

To inquire about Accounts Payable remittance advice, shortages, or markdown allowances, vendors must email: VendorRelations@StageStores.com.

SRI will not research issues older than 6 months (from date of remittance advice report). As a vendor, you have the right to submit a claim for any non-compliance charges deemed unwarranted within the 6 month window. When requesting a claim review, Suppliers must provide SPECIFIC reasons and back-up why a claim is disputed. **Due to the cost involved to research inconsequential claims, any claim submitted for less than \$100 that is researched and found to be a valid deduction will be assessed a \$100 handling fee.** (See Violation Code # 32)

Please note remittance details must be downloaded from SRI's remittance portal at <https://tradinggrid.gxs.com>. Remittance files detail invoices being paid as well as any associated deductions, claims, and/or non-compliance charges. Remittance files are available for 45 days, after which they are no longer available online. Vendors should save the files offline for permanent retention. **SRI will charge a \$100 fee per remittance report to provide copies of the Remittance detail after the 45 day online retention period.** (See violation Code #33)

Please be sure that any required authorizations are communicated at the time allowances are agreed upon. SSI's position is that responsibility for communication of authorized claims is an internal responsibility of the vendor. Suppliers are encouraged to get ALL agreements **IN WRITING** to avoid any discrepancies/confusion. Vendor Compliance will take the direction any 'agreement' not in writing is not an agreement. **Any claims determined to be valid that require SRI to provide vendor documentation will be charged a \$100 fee per document.** (See Violation Code # 32)

*The aforementioned fees are meant to compensate for costs associated with labor, time, resources and other expenses necessary to fulfill vendor requests. These are not intended as a form of punishment.

Vendor Information Updates

To prevent any delays in the payment process, suppliers are encouraged to keep the information on their payables file up to date. Notify SRI Accounts Payable Department of an address change or any company status changes by mailing the updated information to:

SRI Accounts Payable Department Email Address

SRI Accounts Payable Department

Email: VendorRelations@stagestores.com

Shipping and Freight Violation Policy

By following the detailed requirements outlined in this guideline, your merchandise should flow through our Distribution Center and on to the selling floor in an efficient manner. We have established non-compliance charges in an effort to recover costs incurred due to processing non-compliance merchandise.

IMPORTANT: See Addendum B on page 64 regarding information on 'small units in error' notification/forgiveness policy.

IMPORTANT: See Addendum C on page 64 regarding the percentage level Compliance Charges can be assessed.

Non-Compliance Violation Table

The table below is a complete listing of the charges a vendor could be subject to for non-compliance. This table should be used in conjunction with the remittance advice report.

Violation Code #	Non- Compliance Violation Description	Non-Compliance Charge	Violation type	Ref Page #
PO Information and Date issues				
1A	Shipped prior to "Do not ship before" date	5% of PO cost + plus freight in and out (Min charge: \$300)	Compliance	13
1B	Shipped after "Do not ship after" date	15% of PO cost + plus freight in and out (Min charge: \$300)	Compliance	13
2	Unapproved Multiple PO's in one carton	\$250 per carton	Compliance	24
Carton information incorrect or incomplete				
3A	PO number incorrect or not listed or incorrect GS1-128 label zone	\$300	Compliance	27-31
3B	Department # incorrect or not listed or incorrect label zone	\$300	Compliance	27-31
3C	Style # incorrect or not listed or incorrect label zone	\$300	Compliance	27-31
3D	Color name incorrect or not listed	\$300	Compliance	27-31
3E	Size incorrect or not listed	\$300	Compliance	27-31
3F	Pre-pack detail not provided or inaccurate on outside of carton or Carton Contents not properly listed on label	\$300	Compliance	27-31
3G	Store number for Pack-by-Store incorrect or not listed on carton label or incorrect GS1-128 label zone.	5% of PO Cost or \$300, if >	Compliance	27-31
3H	Carton not addressed correctly or incorrect label zone	5% of PO Cost or \$300, if >	Compliance	27-31
3I	Required "Master Pack" INFO not/incorrectly detailed	\$300	Compliance	25
3J	Supplier labels carton as "Master Pack" when not	\$300	Compliance	25
3K	Quantity either not listed or incorrectly listed.	\$300	Compliance	25
BOL errors				
4D	Failure to consolidate purchase orders into one BOL	\$300 or full freight cost, if greater, PLUS 12W charge	Freight	33-38
4E	PO #, carton qty, and/or department number not listed individually or accurately on BOL/TMS system	\$300 or full freight cost, if greater, PLUS 12W charge	Freight	33-38
4F	Multiple trailers / containers per BOL	5% of PO Cost or \$450, if greater	Compliance	33-38
4I	Failure to list SRR # in "Special Instructions" section on BOL	\$300	Freight	33-38
4J	BOL does not contain contact information	\$100	Freight	33-38
4K	Failure to provide SRI w/ BOL upon request	\$100 or full freight cost, if greater, PLUS 12W charge	Freight	33-38
4L	Failure to properly address BOL as instructed	\$100 or full freight cost, if greater, PLUS 12W charge	Freight	33-38
4M	Failure to list TMS Shipment # in special instructions	\$300	Freight	33-38
4N	Released Value wording added/noted on BOL	\$300 or full freight cost, if greater, PLUS 12W charge	Freight	33-38
4P	Failure to list volume quote # on BOL	\$100 or full freight cost, if greater, PLUS 12W charge	Freight	33-38

Violation Code #	Non- Compliance Violation Description	Non-Compliance Charge	Violation type	Ref Page #
Improper carton packing				
06	Style, Colors and or Sizes mixed in a carton-i.e. multiple sku containers (excludes cross dock shipments) i.e. multiple skus in a container.	5% of PO Cost or \$1000- if greater	Compliance	23-26
6A	Merchandise not packed with re-shippable sealed inner cartons	\$750 PLUS cost of materials	Compliance	23-26
6B	Product sold in boxes not received in boxes	5% of PO Cost or \$750- if greater	Compliance	23-26
Invoice/ASN accuracy				
7A	810 invoice is technically wrong requiring retransmission or modification	\$750	Compliance	6-8
7B	810 Invoice is not sent electronically within 24 hrs of mdse pickup	\$750	Compliance	6-8
7C	856 ASN is technically wrong requiring retransmission or modification or Supplier has transmitted a '0' Quantity UPC	\$750 plus in/out freight	Compliance	6-8
7D	Removed from cross dock to manual processing	\$1000	Compliance	6-8
7E	Removed from receiving to audit	5% of PO Cost or \$250- if greater	Compliance	6-8
7F	Supplier transmitted inaccurate Supplier # on their ASN or 855 'reverse' PO.	\$750	Compliance	6-8
Merchandise substitutions				
8A	Style Substitution	If accepted, \$250 handling fee. If not, \$500 Handling + In/Out Freight	Compliance	13-14
8B	Size Substitution	If accepted, \$250 handling fee. If not, \$500 Handling + In/Out Freight	Compliance	13-14
8C	Color Substitution	If accepted, \$250 handling fee. If not, \$500 Handling + In/Out Freight	Compliance	13-14
PO Discrepancies				
10	Style/PO Over Shipped (SRI will keep & not pay for any overshipped style)	\$250 Handling Fee. If merchandise returned, in & out freight + \$500 handling fee	Compliance	13-14
11	Style/PO UNDER Shipped (PO must be shipped at least 95% complete- or the BUYER must adjust the PO prior to ASN transmission.)	25% of the cost of the merchandise SHORT + \$250 handling fee	Compliance	13-14
Freight / Carrier Violations				
12A	Incorrect Carrier used	Full freight cost or \$150 if higher PLUS 12W handling fee	Freight	33-37
12C	Cartons exceed 50lbs	5% of PO cost + \$350.00 Fee	Compliance	23
12D	More than ONE request for routing in one calendar week	Full freight cost or \$450 if higher PLUS 12W handling fee	Freight	33-37
12E	Multiple shipments against the same purchase order	Full freight cost or \$450 if higher PLUS 12W handling fee	Freight	33-37
12H	Live unloads not scheduled or not on time	\$500	Freight	33-37
12I	Incorrect information entered into TMS	Full freight cost or \$300 if higher PLUS 12W handling fee	Freight	33-37

Freight / Carrier Violations, Cont.					
Violation Code #	Non- Compliance Violation Description		Non-Compliance Charge	Violation type	Ref Page #
12J	Driver Load/ Count / Assist / Accessorial charges		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12K	Failure to request routing via TMS		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12L	Cartons exceed or fall below required dimensions		5% of PO cost + \$350.00 Fee	Compliance	23
12M	Incorrect weight entered into TMS		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12N	Incorrect cube entered into TMS		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12O	Incorrect carton count entered into TMS		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12P	Incorrect pallet count entered into TMS		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12Q	Truck ordered not used		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12R	PO shipped to wrong DC as indicated on PO or carton		3% of PO Cost + In/Out Freight or \$100, if greater	Freight	33-37
12S	Freight cost to forward to correct DC		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12T	Failure to follow instructions outlined in routing email notification		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12U	Date shipment available/ready date is same as PO cancel date		Full freight cost or \$250 if higher PLUS 12W handling fee	Freight	33-37
12V	Failure to follow any of the guidelines as described in the routing guide		Full freight cost or \$100 if higher PLUS 12W handling fee	Freight	33-37
12W	Administration fee		\$250	Freight	33-37
12X	Vendor Requesting SHIPPING more than once/week		Full freight cost or \$450 if higher PLUS 12W handling fee	Freight	33-37
12Y	Vendor did not provide 2 week prior notice for delivery of prepaid truckload or container freight		Full freight cost or \$300 if higher PLUS 12W handling fee	Freight	33-37
12Z	Vendor requested routing via TMS then shipped prepaid & did not notify (in writing) Traffic to delete the SRR		\$250	Freight	33-37
12Z-1	Vendor failure to deliver prepaid containers to the correct DC/closest port to the DC as stipulated by PO		Actual freight charge to transport to correct DC + 12W Handling Fee	Freight	33-37
12Z-2	Request to change SRR after Freight Notification Email sent		\$100 + 12W Fee if repeated offense	Freight	33-37

Ticketing Errors					
Violation Code #	Non- Compliance Violation Description		Non-Compliance Charge	Violation type	Ref Page #
13A	UPC Active in system does not match vendor UPC on merchandise		\$0.50/unit audited PLUS \$250 handling fee	Compliance	9, 15-17
13B	Vendor pre-ticketed price does not match purchase order and/or Supplier used MSRP verbiage on a Y.E.S. price point.		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13C	Vendor ticket has UPC but does not scan		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13D	Vendor ticket includes retail but no UPC or prepack does not have exterior UPC (if used by supplier & see p. 24)		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13E	Vendor ticket includes UPC but no retail		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13F	Size Designation and or Care Label incorrect and/or not on garment		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17

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13G	Incorrect Color NAME and/or Store Name on Ticket or Merchandise and/or Group Name not listed on Ticket		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13H	Style number or Dept number incorrect or not listed on retail ticket		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13I	UPC ticket missing human readable data or information not readable or information incorrect		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
13J	Supplier places more than 1 POS ticket on garment		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
14B	Merchandise is not pre-ticketed		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17
14E	Tickets on merchandise are for a different retailer		\$0.50/unit audited PLUS \$250 handling fee	Compliance	15-17

UPC – GXS catalog

15A	UPC not in Catalog /No GXS Catalog Access Provided		\$350	Compliance	9
15B	Keying charge Advanced UPC Catalog data entry		\$5 /UPC Entry- Min charge: \$250	Compliance	9
15C	UPC Catalog requires corrections		\$500	Compliance	9
15D	UPC Catalog changes after order entry		\$750	Compliance	9

Advanced Shipping Notification

16A	No ASN received at time of receipt at Distribution Center or No ASN received at all.		\$1000	Compliance	6-8
16A-1	Supplier's ASN received AFTER 6AM Central the day after the merchandise was shipped		\$500 if sent <= 2 day late \$1000 if sent > 2 days late	Compliance	6-8
16B	Carton contents do not match ASN		\$1000	Compliance	6-8
16B-1	ASN Discrepancy		\$1000	Compliance	6-8
16C	BOL does not match ASN		\$500	Compliance	38
16D	Carton Label not scannable or poor print quality or bar code itself on the GS1-128 label is missing or not properly affixed to carton		3% of PO Cost + \$500 fee	Compliance	27-32
16E	No GS1-128 label on carton or label covered		\$300 + \$10/carton	Compliance	27-32
16F	GS1-128 label does not match supplier's ASN		3% of PO Cost + \$500 fee	Compliance	27-32
16F-1	GS1-128 label does not match SRI published requirements or multiple labels/bar codes on carton		\$750	Compliance	27-32
16G	ASN does not include Carton Detail		\$750	Compliance	6-8
16H	ASN transmission contains multiple BOL's for shipment		\$500	Compliance	6-8
16I	Failure to respond to 850 or 860 with accurate 997 acknowledgement		\$250 per P.O.	Compliance	6-8
16J	GS1- 128 label placement error (includes improper placement of the carton contents label- if used.)		3% of PO Cost + \$300 fee	Compliance	27-32
16K	ASN does not match PO		\$1000	Compliance	6-8
16L	Inaccurate vendor ship date within Vendor's ASN data		\$250	Compliance	6-8

Merchandise not shipped as ordered					
Violation Code #	Non- Compliance Violation Description		Non-Compliance Charge	Violation type	Ref Page #
17A	Sent as a set and ordered as a separate; sent as a separate and ordered as a set		5% PO Cost + \$500 handling	Compliance	23-25
17B	Coordinates shipped separately		5% PO Cost + \$500 handling	Compliance	23-25
17C	Sent as assorted and ordered by color or sent by color and ordered as assorted		5% PO Cost + \$500 handling	Compliance	23-25
17D	Sent in bulk and ordered as a pre-pack		5% PO Cost + \$500 handling	Compliance	23-25
17E	Sent as a pre-pack and ordered in bulk		5% PO Cost + \$500 handling	Compliance	23-25
17F	Pre-pack quantities not packed as ordered		5% PO Cost + \$500 handling	Compliance	23-25
17G	Pre-pack top/bottom sizes do not match or missing		5% PO Cost + \$500 handling	Compliance	23-25
17H	Set top/bottom or pre-packs not bundled or packaged and/or hangers not exposed from polybag.		5% PO Cost + \$500 handling	Compliance	23-25
Hangers					
18	Merchandise not shipped on required hangers or seeded in carton or polybag		\$.50 a unit- Minimum \$250 charge	Compliance	20-21
18A	Supplier used an unapproved hanger supplier		\$.50 a unit- Minimum \$250 charge	Compliance	20-22
18B	Sizers placed on hangers do not correspond to actual garment size; (Or, effective 7-1-14, crown sizers either not applied or 'donut' sizer' used.)		\$.50 a unit- Minimum \$250 charge	Compliance	20-22
18C	Where appropriate, sizer not detailing garment's inseam		\$.50 a unit- Minimum \$250 charge	Compliance	20-22
Ticket Placement errors					
19	Ticket placement errors		\$.50 a unit- + \$250 charge	Compliance	16 - 17
Consolidation Area					
20	Consolidation Area Pickup/handling charges		As charged by consolidator	Freight	33
Floor Ready Errors					
21A	Unnecessary packing materials and/or using packing slips.		\$750	Compliance	23-26,36
21B	Merchandise received in poor condition/wrinkled. NOTE: This is not considered part of supplier's "Defective Allowance" if offered.		If merch returned, in/out freight + \$350 fee; If kept, \$.50/unit + \$350.00	Compliance	23-26
21C	Size strip incorrect or missing from folded garments		\$.50 a unit + \$250 HC-MIN \$250	Compliance	19
21D	Garment/items not covered with a clear poly bag		\$.50 a unit + \$250 HC -MIN \$250	Compliance	23-26
21E	Supplier failed to apply and/or utilize the proper 'suffocation' warning on the exterior of polybag.		\$.50 a unit + \$250 HC -MIN \$250	Compliance	63
21F	Supplier failed to either properly apply or utilize required EAS tag		\$.50 a unit + \$250 HC -MIN \$250	Compliance	64-65
21G	ECOMM merchandise missing required UPC # sticker on exterior of item's polybag.		\$.50 a unit + \$250 HC -MIN \$250	Compliance	18
21H	Carton Received not completely sealed		5% of PO Cost or \$1000- if greater	Compliance	23
21J	Supplier not optimizing carton utilization (This includes the improper packing/labeling of "Master Pack" carton & includes cartons received 'Over-Staffed')		\$750	Compliance	23-26,36
21K	Garment/items not properly sealed, i.e. supplier used wrong width or type of tape. (This is not a 'new' violation code. Rather- this code was simply 'extracted' from the 21D Code in order to provide better supplier information/clarity.)		\$.50 a unit + \$250 HC -MIN \$250	Compliance	23-26

Violation Code #	Non- Compliance Violation Description	Non-Compliance Charge	Violation type	Ref Page #
Miscellaneous charges				
22	Multiple requests for same violation dispute; or any other compliance issue. (See Comments)	Per request- min \$250	Freight	49
22A	Supplier failed to use required email SUBJECT LINE information	\$50 per email	Compliance	3
22B	Supplier requested non-compliance charge review greater than 60days from original assessment date	\$250	Compliance	3
22C	Supplier utilized "Check Stub" to initiate CB review	\$150	Compliance	48
23	Storage fee after 5 th day awaiting RA#	\$ 350 Per day	Compliance	14
23A	Miscellaneous Charge (See Comments for specific INFO) This CB will be assessed when a supplier misses a scheduled call.	As required- See comments for charge rate.	Compliance	Guide
24	DRAE/Storage Charge	As incurred by carrier + 12W Fee	Freight	33-37
25	Refused freight charge	Full cost of freight + 12W Fee	Freight	14
26	Detention charges	As incurred by carrier + 12W Fee	Freight	33-37
Loading Charges				
27	Pallet Loading-Failure to load by PO then Style	\$500	Compliance	33-37
28	Trailer Loading-Failure to load trailer by PO then Style	\$500	Compliance	33-37
Small Parcel Charges				
29	Failure to enter SRI purchase order and/or SRR # number in FED-EX system	\$300 or freight cost (If higher) + 12W fee	Freight	33-37
30	Failure to use Fed-Ex PLD compatible shipping method or Fed-Ex approved vendors.	\$300 or freight cost (If higher) + 12W fee	Freight	33-37
Additional Charges				
31	SRI provides copy of canceled check	\$150 Per check request	Compliance	40
32	Claim submitted less than \$100 found to be valid deduction	\$100 Per claim request	Compliance	40
33	SRI provides copies of remittance advice report	\$250 Per request	Compliance	40
34	A "Vendor Request" to receive back up documentation despite such INFO available on PEP Compliance System	\$500 per request	Compliance	5
35	Insurance Fees added to small parcel shipments	As invoiced + 12W Handling Fee	Freight	33-37
36	Failure to apply seal and/or properly document on BOL	\$100	Freight	33-37
37	Cartons less than minimum requirements not masterpacked	\$200 or cost of freight (If higher) + 12W Fee	Freight	23-26
38	Failure to comply w/ EDI testing	\$750	Compliance	6-7
38A	Failure to provide EDI ID/Qualifier on a timely basis	\$750	Compliance	6-7
39	Incorrect Fed-Ex MODE used for small parcel shipments	\$200 or cost of freight (If higher) + 12W Fee	Freight	33-37
International Shipping Charges				
40A	Forms required by Customs not provided	\$300 or cost of freight (If higher) + 12W Fee	Freight	55-57
40B	Incorrect/Invalid information provided on customs forms	\$300 or cost of freight (If higher) + 12W Fee	Freight	55-57
40C	Failure to list required information on invoice	\$300 or cost of freight (If higher) + 12W Fee	Freight	55-57
40D	Failure to utilize correct Port of Entry	\$300 or cost of freight (If higher) + 12W Fee	Freight	55-57
40E	Container delivered without/outside scheduled delivery date/time	\$300	Freight	55-57

Note the column labeled "Violation Type". On page 54, specific contact information is detailed for each offset-type category. For example, if the "Violation Type" is labeled as "COMPLIANCE", then to dispute/request a review of that offset, you must contact vendorcompliance@stagestores.com.

Remittance Advice Report

Suppliers are NOT to use their 'remittance' report when determining their assessed violations!

NOTE: It is IMPORTANT TO NOTE that due to the availability of the SRI "PEP"

Compliance Site at www.GXS.com/Stage, suppliers MUST NOT to use their check stub/remittance advice report as a way of identifying assessed non-compliance violations as this information is 'dated'. IMMEDIATE chargeback data can be found on the Stage "PEP" Compliance site located at: www.gxs.com/Stage. If you are not set-up on the Stage "PEP" Compliance web site, immediately contact: PEP@StageStores.com. Suppliers that use this information to dispute assessed non-compliance charges will not be considered.

IMPORTANT!

When SRI issues a check to the vendor, a remittance file is uploaded to the remittance portal at <https://tradinggrid.gxs.com> for vendors to download directly. The remittance file summarizes the invoices being and any deductions. These deductions can include, but are not limited to, shipping/freight violations, carton pickup charges, shortages, advertising/markdown allowances, and damage/distribution allowances. The remittance report is considered the vendor's claim copy.

Please note remittance files are available on the portal for 45 days. Vendors should save the remittance files offline for permanent retention. SRI will assess a \$100 fee per requested report to provide copies after the 45 day online retention period. (See violation code #33)

Shipping/Compliance Violation Inquires

1. Inquires and disputes **must be submitted by e-mail**, with all appropriate documentation scanned and attached. Supplier **MUST** be specific as to why the claim is being disputed. Please email **shipping violations inquiries** to:

Email: vendorcompliance@stagestores.com

- *If unsure of violation type, please see Non-compliance table (pages 42 – 47.)*
- *E-Mailing inquiries and disputes to the wrong department will cause a delay.*
- *SRI will not research claims older than 60 days (from date of non-compliance charge approval).*

2. The following must be included in order for your disputed charge to be researched:
 - Supplier name, #, non-compliance code & PO # in email subject line (See below)
 - Specific detail of request and reason for dispute
 - Vendor contact information

Due to the time needed to research and process inquiries or disputes, SRI will not accept any re-submissions once a response has been given. If multiple requests are received for the same inquiry or dispute, a non-compliance charge will be assessed. (See Violation Code 22)

Freight Violation Inquires

1. Inquires and disputes **must be in writing by email**, with the required documentation scanned and attached, faxes will not be accepted. Please mail required information for **Freight Violations/ Carton Charges** to:

Attn: SRI Transportation Department

Email: logistics@stagestores.com

- *If unsure of violation type, please see Non-compliance table and the example of the Remittance Advice Report above.*
- *E-Mailing inquiries and disputes to the wrong department will cause a delay.*

2. The following must be included in order for your dispute to be researched:
 - A letter of request
 - BOL
 - Remittance Advice Report
3. Due to the numerous trading partners, SRI is unable to provide copies of freight bills. The transportation department can provide detailed information needed to validate reasons for deductions.
4. SRI will not research claims older than 60 days old (from date of non-compliance charge approval).
5. Due to the time to research and process inquiries or disputes, SRI will not accept any re-submissions once a response has been given. If multiple requests are received for the same inquiry or dispute, a non-compliance charge will be assessed.

SRI Shipping and Freight Violation Process Flow

1. **To expedite flow, suppliers are REQUIRED to place the supplier name, supplier #, Violation Code, and PO # (if applicable) in the email’s SUBJECT line.**
2. If the charge is valid, SRI will provide the vendor with a detailed explanation for the charge, and instructions on how to avoid in the future. Suppliers are encouraged to review this INFO and take the steps needed to internally communicate this information within their organization.
3. If the charge was assessed in error, SRI will notify the vendor of the error & will contact AP Department to issue the payback. No additional correspondence will be needed from the supplier.
4. Compliance violations over 60 days old from non-compliance approval date will **NOT** be considered for review. (See 22B non-compliance charge.)

Transportation Management System (TMS)

Vendor Setup/Change form

- Only one access ID is set up per Shipping location
- Vendor must have Internet access and email address for each shipping location
- The Vendor's Key Transportation Contact is responsible for distributing the Access ID and password to all vendor ship points.
- Access ID's will take 5 business day to process and will be sent to Key Contact via e-mail
- All questions should be directed to traffic@stagestores.com
- Please print multiple copies of this form if more than one location is to be set up

Is this a new setup request or a change request?	
Circle one: New Change	
If you circled change, what is your location id:	
Vendor Name:	
Pickup Address:	
Pickup City:	
Pickup State:	
Pickup Zip code:	
Key Transportation Contact Name:	
Email address: (the routing directions will be sent to this address)	
Phone number:	
Fax Number:	
Shipping hours on Monday:	
Shipping hours on Tuesday:	
Shipping hours on Wednesday:	
Shipping hours on Thursday:	
Shipping hours on Friday:	
Shipping hours on Saturday:	
Shipping hours on Sunday:	
Do you require shipping appointments:	
Please list a valid Purchase Order number that will be shipped from this location:	

SSI Internal use: Received date _____ Completed date _____ Faxed back to vendor and completed by _____
--

EXAMPLE

Date: 1/1/2016		BILL OF LADING			Page <u>1</u> of <u>1</u>			
SHIP FROM					Bill of Lading Number: <u>12345</u> <div style="text-align: center; font-size: 2em; color: #ccc;">BAR CODE SPACE</div>			
Name: Joe Smith Vendor Contact: Bob Smith 212-111-2222 fax 212-222-3333 Address: 12345 Smith Lane City/State/Zip: Canton, MS 39046 SID#: _____ FOB: <input type="checkbox"/>								
SHIP TO					CARRIER NAME: Broussard Transportation Trailer number: 485 Seal number(s): 084923 SCAC: BPLA Pro number: 012345			
Name: Stage Stores Distribution Center Location #: <u>00601</u> Address: 506 Bealls Blvd. City/State/Zip: Jacksonville, TX 75766 CID#: _____ FOB: <input type="checkbox"/>								
THIRD PARTY FREIGHT CHARGES BILL TO:					BAR CODE SPACE Freight Charge Terms: <i>(freight charges are prepaid unless marked otherwise)</i> Prepaid _____ Collect <u>X</u> 3 rd Party _____ <input type="checkbox"/> Master Bill of Lading; with (check box) attached underlying Bills of Lading			
Name: Address: City/State/Zip:								
SPECIAL INSTRUCTIONS: SRR # 1234 TMS SHIPMENT # 190253								
CUSTOMER ORDER INFORMATION								
CUSTOMER ORDER NUMBER	# PKGS	WEIGHT	PALLET/SLIP (CIRCLE ONE)		ADDITIONAL SHIPPER INFO			
10066852	300	6000	Y	(N)	Dept # 1110			
10072569	300	6000	Y	(N)	Dept # 5220			
10083208	50	100	Y	(N)	Dept # 7330			
GRAND TOTAL	650	12,100						
CARRIER INFORMATION								
HANDLING UNIT		PACKAGE		WEIGHT	H.M. (X)	COMMODITY DESCRIPTION <small>Commodities requiring special or additional care or attention in handling or stowing must be so marked and packaged as to ensure safe transportation with ordinary care. See Section 2(e) of NMFC Item 360</small>	LTL ONLY	
QTY	TYPE	QTY	TYPE				NMFC #	CLASS
650	CTN	650	CTN	12,100		Apparel		
							GRAND TOTAL	
Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property as follows: "The agreed or declared value of the property is specifically stated by the shipper to be not exceeding _____ per _____."					COD Amount: \$ _____ Fee Terms: Collect: <input type="checkbox"/> Prepaid: <input type="checkbox"/> Customer check acceptable: <input type="checkbox"/>			
NOTE Liability Limitation for loss or damage in this shipment may be applicable. See 49 U.S.C. § 14706(c)(1)(A) and (B).								
RECEIVED, subject to individually determined rates or contracts that have been agreed upon in writing between the carrier and shipper, if applicable, otherwise to the rates, classifications and rules that have been established by the carrier and are available to the shipper, on request, and to all applicable state and federal regulations.					The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges. _____ Shipper Signature			
SHIPPER SIGNATURE / DATE This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the DOT.			Trailer Loaded: <input checked="" type="checkbox"/> By Shipper <input type="checkbox"/> By Driver		Freight Counted: <input checked="" type="checkbox"/> By Shipper <input type="checkbox"/> By Driver/pallets said to contain <input type="checkbox"/> By Driver/Pieces		CARRIER SIGNATURE / PICKUP DATE Carrier acknowledges receipt of packages and required placards. Carrier certifies emergency response information was made available and/or carrier has the DOT emergency response guidebook or equivalent documentation in the vehicle. <i>Property described above is received in good order, except as noted.</i>	

Example sample BOL w/ filled information

SUPPLEMENT TO THE BILL OF LADING

Page _____

Date:

Bill of Lading Number:

CUSTOMER ORDER INFORMATION

CUSTOMER ORDER NUMBER	# PKGS	WEIGHT	PALLET/SLIP (CIRCLE ONE)		ADDITIONAL SHIPPER INFO
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
			Y	N	
PAGE SUBTOTAL					

CARRIER INFORMATION

HANDLING UNIT		PACKAGE		WEIGHT	H.M. (X)	COMMODITY DESCRIPTION <small>Commodities requiring special or additional care or attention in handling or stowing must be so marked and packaged as to ensure safe transportation with ordinary care. See Section 2(e) of NMFC Item 360</small>	LTL ONLY	
QTY	TYPE	QTY	TYPE				NMFC #	CLASS
						PAGE SUBTOTAL		

Correspondence Addresses & Phone Numbers

If you have specific business questions, below is the contact information for each category. NOTE: The contact information for questions on deductions can be found starting on page 42. As a clarification, look at the column header labeled "Violation Type". If a 'Compliance'-type violation, then contact:

VendorCompliance@StageStores.com. If listed as 'Freight'-type violation, then contact Logistics@StageStores.com.

Any questions or issues regarding **EDI**, excluding Violation Code inquiries, should be directed to:

Stage Stores, Inc.
Attn: EDI Administrator
2425 West Loop South- 4th Floor
Houston, TX 77027
Phone: 713-331-7116
email: EDI@stagestores.com
Fax: NO FAX #- Please use EMAIL

Any questions or issues regarding **Packaging, Freight Violations, Distribution Allowance Deductions, or general vendor transportation requirements/charges- EXCLUDING COMPLIANCE violations-** should be directed to:

Stage Stores, Inc.
Attn: Logistics Dept
2425 West Loop South- 4th Floor
Houston, TX 77027
Phone: (713) 331-4988
email: Logistics@stagestores.com
Fax: NO FAX #- Please use EMAIL

Any questions or issues regarding **routing or transportation**, excluding non-compliance charge inquiries, should be directed to:

Stage Stores, Inc.
Attn: Transportation
2425 West Loop South- 4th Floor
Houston, TX 77027
Phone: (713) 331-4988
email: Traffic@stagestores.com
Fax: NO FAX #- Please use EMAIL

Any questions or issues regarding **COMPLIANCE violations, Floor Ready, Ticketing, or Labeling Questions** should be directed to:

Email: VendorCompliance@stagestores.com

Any questions or issues regarding **Return to Vendor RTV** should be directed to:

Stage Stores, Inc. RTV
123 7 E. Rusk
Jacksonville, TX 75766
Fax: (903) 586-2903
Email: RTVCenter@stagestores.com

Any questions or issues concerning damage allowance percent or deduction disputes should be directed to the appropriate buying office. These terms are negotiated between the sales representative and buyers. Terms are outlined in the vendor's signed Vendor Support Agreement.

Manual invoices are accepted for non-EDI compliance vendors ONLY. Manual invoices for EDI-Compliant vendors are subject to non-compliance charges. (See violation code # 38.)

Any questions or issues concerning **invoice payments, remittance advice, shortages, or markdown allowances** should be directed to:

Attn: Vendor Relations
Accounts Payable
P.O. Box 56627
Houston, TX 77256
Email: VendorRelations@stagestores.com

All manual invoices should be directed to Stage Stores

Attn: Accounts Payable
PO Box 56627
Houston, TX 77256

Questions regarding "DIRECT TO CONSUMER" ECOMM orders & processes please contact:

DropShipTeam@StageStores.com. "Direct to Consumer" ECOMM orders are those orders that are shipped directly to the consumer from the supplier's facility, and never pass through a Stage receiving building.

International Shipping

Letter of Credit

For Purchase Orders placed via Letter of Credit, Specialty Retailers, Inc. will supply all shipping and paperwork requirements in the Letter of Credit. You must follow the Purchase Order, Invoice, Ticketing, Packaging, Labeling, and Packing Slip instructions provided in this Logistics Guide. Failure to provide all required documents to the Freight Forwarder listed may result in delay in receiving your Forwarders Cargo Receipt required for payment.

Direct Buy / Open Terms / FOB Shipping Port

Specialty Retailers, Inc utilizes Expeditors Intl as our Freight Forwarder and U S Customs Broker. Shippers may go the Expeditors Website at www.Expeditors.com. Follow the link for Office Locator to find contact names and phone number to each Expeditors office/port. Expeditors' offices at each port are supplied with a PO listing for that port and will perform PO verification when the shipment is booked. Shipments **MUST** be booked AT LEAST 2 WEEKS in advance of the PO ship/cancel dates to allow shipping within the Ship/Cancel date provided on the Purchase Order.

All Shippers **MUST** provide Expeditors International with the Original Commercial Invoice, Packing List, Bill of Lading, Certificate of Origin and/or any other documents and forms required by U S Customs. In order to begin the payment process one set of all Original documents including Invoice, Packing List, BOL, Forwarders Cargo, Certificate of Origin, and/or any other documents and forms required by U S Customs MUST be mailed to:

Specialty Retailers, Inc.
2425 West Loop South- 6th Floor
Houston, TX 77027
ATTN: Veronica Hernandez / Finance Dept.

Examples of Forms Required

- Shoes – IFI Form – detailed description of shoes used to determine the correct Harmonized Tariff code
- Items containing Wood Products or Vines – Fumigation Certificate
- Items containing Feathers – Veterinarian Certificate declaring no Blood, skin etc. and proof feathers were cleaned
- Items containing shells – Requires Scientific name as well as common name. If endangered species there must be a Cities/Fisheries Certificate
- Candles – Must Provide Certificate verifying candles do NOT contain Petroleum Products and provide a percentage breakdown of products used. NOTE: Customs may request that a U S Lab test the candles for constituent breakdown to determine if petroleum is in the candle. (Invalid information provided by the shipper causing higher duty charges will be charged back to the shipper via a chargeback deduction.)
- Ceramic ware: Vendor must state Ceramic or Porcelain and note if items are glazed. If the items are glazed then a Chinese Ceramic Factory Code is required if they are a member. If glazed, you must provide the percentages of glazing components by a Lab Analysis.

***Failure to provide required forms causing delay in customs release or extra freight cost will be charged back to the vendor.

Invoices

All invoices must include the following information:

1. Consignee Name – Consigned to Specialty Retailers, Inc.
2. Terms of Sale
3. Currency
4. Cost of packing
5. Ship to Location – Ship to distribution center listed on the purchase order
6. Ship to Port
7. Purchase Order number - Each Purchase order must be listed separately on the invoice noting the carton count per PO.
8. Item # - Each item must be listed separately on the invoice providing the cost per item and a very detailed description in order for customs to determine the Tariff is correct. Example: You cannot state Wooden decorative items – you must give a detail description of the item. For certain items such as clocks you must provide the individual cost of the case and the movements including the size of movements. A detailed description of the case and the movements must be provided.
9. Harmonized Tariff code – HTS code must be listed on the invoice for each item shipped. Certain items like clocks must list the HTS code for the case and for the movements.
10. Country of Origin
11. Actual Manufacturer name and address

***Failure to provide required information on the invoice causing a delay in customs release or extra freight charges will be charged back to the vendor.

Container Shipments Purchased FOB Port of entry USA.

Follow all Purchase Order, Invoicing, Bill of Lading, Packaging, Labeling, and Packing List instructions listed in this Logistics Guide

All containers MUST deliver to the port closest to the ship to Distribution Center. Once the container arrives at port, you must notify the **Transportation Department** at appointment@stagestores.com and provide the container number, purchase order number(s) and carton count for each PO in the container. The Traffic Dept. will then give you the name and phone number of the delivering carrier in order to release the container.

Container Shipments Purchased FOB Destination Warehouse

Follow all Purchase Order, Invoicing, Bill of Lading, Packaging, Labeling, and Packing List instructions listed in this Logistics Guide.

Once the container is ready to deliver you must send an email to appointment@stagestores.com providing the Container #, delivering carrier name, Purchase Order (s) and carton count for each purchase order in the container. You will then be given a delivery date and time.

*** Failure to provide accurate information or delivery of a container without prior notice will result in a non-compliance charge to your company.

*** Failure to follow these instructions may result in a non-compliance charge to your company.

Compliance Assurance Regarding Consumer Product Safety Regulations:

As a vendor partner, you undoubtedly are aware that the United States Congress recently enacted the Consumer Product Safety Improvement Act of 2008 (“CPSIA”) which affects all consumer products and includes many new obligations. To sell to Stage Stores, we require that you comply with all legal requirements, including compliance with this new law, and existing product safety laws and regulations. Failure to do so will result in the rejection of your shipments. In particular, the CPSIA requires certifications and limits the use of lead and phthalates in a variety of consumer products and children’s products. There are important preexisting requirements on garment flammability and small parts, for example.

The General Certification of Conformity (“GCC”)

For all products manufactured on or after November 12, 2008, Section 14(a)(1) of the Consumer Product Safety Act, as amended by the CPSIA, essentially requires a GCC to be issued with respect to every product that is subject to any consumer product safety rule, ban, standard or regulation enforced by the CPSC. This includes all children’s products but is not limited to those products. The GCC is required for all products subject to applicable rules, bans, standards and regulations. Products without the required certificate, which must accompany the product and be furnished to the retailer, cannot be imported or distributed in the United States. For Stage Stores, these requirements must be satisfied through the submission of a GCC form.

Stage Stores requires imported vendors to meet the GCC requirement. Certifications must include mandatory information required by law. Stage requires you to prepare and furnish these certifications to the Freight Forwarder with each shipment. Freight will not be shipped or accepted without the GCC form. On page 59 is a sample of the GCC certificate that must be used.

US Customs Data Elements Form

Required by Specialty Retailers, Inc. for all Shipments/Purchase Orders prior to booking with the Freight Forwarder or Ocean Carrier

Specialty Retailers, Inc. requires all shippers to complete the information below and provide this form to the Freight Forwarder or Ocean Carrier when the shipment/ Purchase Order is booked prior to shipping. Failure to provide all the information required in the form will cause your booking to be rejected until the fully completed Form is provided. Incorrect information provided in this form which causing delay in clearance with U S Customs or charges assessed will be paid by the shipper.

Lacey Act

Specialty Retailers, Inc. requires all shippers to complete the Plant and Plant Product Declaration Form if shipment contains the following: any wild member of the plant kingdom, including roots, seeds, parts, or products thereof, and including trees from either natural or planted forest stands. Any product that is classified in the following HTS chapters, must submit the form:

Ch. 44 *Heading* (wood & articles of wood)

4421- (articles of wood, nesoi)

Ch. 48 *Heading* (paper & articles of)

4801-(Newsprint)

4802-(Uncoated writing paper)

4803-(Toilet or facial tissue stock)

4804-(Uncoated kraft paper)

4805-(Other uncoated paper and board)

4806-(Vegetable parchment, etc.)

4807-(Composite paper and board)

4808-((Corrugated paper and board)

4809-(Carbon paper)

4810-(Coated paper and board)

4811-(Paper coated, etc. other than 4803, 4809, or 4810)

- Ch. 94 *Heading* (furniture, etc).
940169 (seats with wooden frames)
940330 (wooden office furniture)
940340 (wooden kitchen furniture)
940350 (wooden bedroom furniture)
940360 (other wooden furniture)
94039070 (wooden furniture parts)

IMPORTANT NEW INFORMATION!

New Container Weight Verification Regulation To Be Effective July 1, 2016

The requirement making container weight verification a condition for vessel loading will become legally binding on July 1, 2016.

Please review **ADDENDUM J: Container Weight Verification** starting on page 73 for complete information.

**Specialty Retailers, Inc.
General Conformity Certificate (GCC)**

This General Conformity Certificate (GCC) must be presented to Specialty Retailers Inc prior to shipping. Specialty Retailers requires an electronic copy sent via email to _____.

Identification of Product Covered by this Certificate:

PO #	Style/SKU #	Product Description	Vendor Name	Product Label/Brand

The entity identified below as the importer certify that: (check one box only)

- The product describe above is not subject to any applicable rules, bans, regulations or standards under the Consumer Product Safety Act or any other act enforced by CPSC.
- The product describe above is in compliance with 16 CFR 1610 and is exempted from testing under CPSC regulation section 1610.37(d) as it is comprised of one or more of the following CLASS 1 textiles:
 - (1) Plain surface fabric, regardless of fiber content, weighing 2.6 oz/sq. yd. or more, and
 - (2) All fabrics, both plain and raised-fiber surface, regardless of weight, made entirely from any of the following fibers or entirely from combination of acrylic, modacrylic, nylon, olefin, polyester, wool.
- The Product described above complies with the specified rules, bans, standards and regulation applicable to the product and enforced by CPSC. (Note: If checked, complete entire GCC)

Importer

Entity Name	
Full mailing address	
Phone#	
Contact Person	
Email	

Third-party testing lab

Entity Name	
Full mailing address	
Phone#	
Contact Person	
Email	

Date of Manufacture:	Month:	Year:	Date of Testing:	Day:	Month:	Year:	Lab Report #:
Factory Name & Place of Manufacturing:							<i>(if different from testing lab address above)</i>

Individual responsible for maintaining records of test supporting certification:

Name	Company	Address	Email Address	Phone #

Product safety standards to which the Product is being certified (mark all that apply, and add any additional applicable standard by deleting any of the non-applicable one(s))

<input type="checkbox"/> CPSIA 101 - Lead in substrate in children's products	<input type="checkbox"/> 16 CFR 1500.3 (b)(5)(9) & (c)(1)-(5) - Toxicology and Hazardous Substances	<input type="checkbox"/> 16 CFR 1500.18(a)(17) - Balls	<input type="checkbox"/> 16 CFR Part 1501 - Parts	<input type="checkbox"/> 16 CFR Part 1511 - Profiles	<input type="checkbox"/> 16 CFR Part 1615 & 1616 Flammability of children's Sleepwear
<input type="checkbox"/> CPSIA 101, 16 CFR Part 1303 - Lead in Paint and Surface Coatings	<input type="checkbox"/> 16 CFR 1500.14(a)(8) - Art Materials	<input type="checkbox"/> 16 CFR 1500.18(a)(19) - Dive Sticks	<input type="checkbox"/> 16 CFR Part 1505 - Electrically Operated Toys and Children's Articles	<input type="checkbox"/> 16 CFR Part 1512 - Bicycles	<input type="checkbox"/> 16 CFR Part 1630 & 1631 Flammability of carpet and Rugs
<input type="checkbox"/> CPSIA 106 - ASTM F963-07 Toy Safety Specification	<input type="checkbox"/> 16 CFR, 1500.18(a)(5) - Caps for Toy guns	<input type="checkbox"/> 16 CFR 1500.19 - CPSIA Labeling (small parts, etc.)	<input type="checkbox"/> 16 CFR Part 1508 - Stair Cribs	<input type="checkbox"/> 16 CFR Part 1513 - Bed	<input type="checkbox"/> 16 CFR Part 1632 & 1633 Flammability of Mattress, Pads, & Mattress Sets
<input type="checkbox"/> CPSIA 108 - Phthalates in Children's Products	<input type="checkbox"/> 16 CFR, 1500.18(a)(6) - Baby bouncers, walkers and jumpers	<input type="checkbox"/> 16 CFR 1500.44 - Flammability	<input type="checkbox"/> 16 CFR Part 1509 - Stair Cribs	<input type="checkbox"/> 16 CFR 1610 - Flammability of Clothing, Textiles	<input type="checkbox"/> 16 CFR 1700.14 - Child Resistance Packaging
<input type="checkbox"/> 15 CFR Part 1150 - Toy Gun Marking	<input type="checkbox"/> 16 CFR, 1500.18(a)(16) - Infant cushion or pillows	<input type="checkbox"/> 16 CFR 1500.48 & 49 - Sharp points/edges	<input type="checkbox"/> 16 CFR Part 1510 - Rattles	<input type="checkbox"/> 16 CFR 1611 - Flammability of Vinyl Fabric Film	<input type="checkbox"/> CPSC's guidance on drawstrings

Document completed:

BY: _____ (printed name)

Date: _____

US CUSTOMS DATA ELEMENTS FORM

(10 Data Elements Required for Importer Security Filing)

Required by Specialty Retailers, Inc. for all Shipments/Purchase Orders prior to booking with the Freight Forwarder or Ocean Carrier

** Specialty Retailers, Inc. requires all shippers to complete the information below and provide this form to the Freight Forwarder or Ocean Carrier when the shipment/ Purchase Order is booked prior to shipping. Failure to provide all the information required in the form will cause your booking to be rejected until the fully completed Form is provided. Incorrect information provided in this form causing delay in clearance with U S Customs or charges assessed will be paid by the shipper.

1. Manufacturer Name & Address: _____

2. Container Stuffing location: _____

3. Seller Name & Address: _____

4. Consolidator Name & Address: _____
 (For LCL shipments only)

5. Buyer Name & Address: **Specialty Retailers, Inc. 2425 West Loop South, Houston, TX 77027**

6. Ship to Name & Address _____

7. Importer of Record: **Specialty Retailers, Inc.** _____

8. Consignee Number: **74-0821900** _____

9. Country of Origin : _____

10. Commodity Harmonized Tariff Schedule Number (6 or 10 digit):

Item	HTS	P.O. Number

Shipper _____ Date _____

Signed By: _____ Title _____

Plant and Plant Product Declaration Form

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0579-0349. The time required to complete this information collection is estimated to average 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

FORM APPROVED
OMB No. 0579-0349

Plant and Plant Product Declaration Form



U.S. DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
PLANT PROTECTION AND QUARANTINE

Section 3: Lacey Act Amendments of 2008 (16 U.S.C. 3372)

Applicability of Declaration:

You are required to complete this form if you are importing any of the following:
Any wild member of the plant kingdom, including roots, seeds, parts, or products thereof, and including trees from either natural or planted forest stands, except:

1. Common cultivars, except trees, and common food crops (including roots, seeds, parts, or products thereof);
2. * Scientific specimens of plant genetic material (including roots, seeds, germplasm, parts, or products thereof) that are to be used only for laboratory or field research;
3. * Plants that are to remain planted or to be planted or replanted; or
4. Plants used exclusively as packaging material to support, protect, or carry another item, unless the packaging material itself is the item being imported.

* You must still complete this form if you are importing plants described under 3. and 4. that are listed:

- In an appendix to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249);
- As an endangered or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); or
- Pursuant to any State law that provides for the conservation of species that are indigenous to the State and are threatened with extinction.

SECTION 1 - Shipment Information

1. ESTIMATED DATE OF ARRIVAL: (MM/DD/YYYY)	
2. ENTRY NUMBER:	3. CONTAINER NUMBER:
4. BILL OF LADING:	5. MID:
6. IMPORTER NAME:	8. CONSIGNEE NAME:
7. IMPORTER ADDRESS:	9. CONSIGNEE ADDRESS:

I certify under penalty of perjury that the information furnished is true and correct:

Signature _____ Type or Print Name _____ Date _____

Knowingly making a false statement in this Declaration for Importation may subject the declarant to criminal penalties in accordance with 16 U.S.C. 3373(d).

ADDENDUMS

ADDENDUM A: Required Polybag Warning

Effective 7-1-15, SRI REQUIRED the implementation of the following POLYBAG suffocation warning in English- with a Spanish version encouraged. (NOTE: Spanish version is not required at this time.) Polybags that are 1.0 mil in thickness or less and have a bag opening of 5" or greater MUST contain this warning. (If your polybags are over 1.0 mil in thickness and/or your bag opening is < 5", then NO polybag suffocation warning is required... although still encouraged.)

NOTE: If you ship merchandise that fits the above description however they are designated as "Industrial Polybags", i.e. to be removed prior to sales floor display, then no suffocation warning is required. When in doubt, contact VendorCompliance@StageStores.com.

NOTE: SRI is requesting that the below verbiage be used. If your company has slightly different verbiage, contact VendorCompliance@StageStores.com for direction PRIOR to shipping.

NOTE: All specifically designated ECOMM orders shipped in individual polybags MUST contain this suffocation warning as long as they are 1.0 mil or less in thickness and have an opening of 5" or greater. "Industrial Bags" do not exist in the ECOMM order environment.

NOTE: Bags that are closed with a 'zip-lock' type closure are not considered 'polybags' and are therefore not bound by this requirement.

ENGLISH VERSION

WARNING: To avoid danger of suffocation, keep this plastic bag away from babies and children. Do not use this bag in cribs, beds, carriages, or play pens. This bag is not a toy.

SUGGESTED SPANISH VERSION

Advertencia: Para evitar el riesgo de asfixia, mantenga esta bolsa de plástico lejos de los bebés y los niños. No utilice esta bolsa en las cunas, camas, carritos, o corralitos. Esta bolsa no es un juguete.

Warning Font Size requirement:

Total Length and Width of Bag Combined	Minimum Type Size
Less than 25 inches	10 point
25 to 39 inches	14 point
40 to 59 inches	18 point
60 inches or more	24 point

ADDENDUM B: “Small Units In Error” Policy

SRI realizes that due to shipping the # of units required on a typical SRI PO, small relatively inconsequential errors could be identified. As a result, Stage has implemented a “Small Units In Error” Forgiveness Policy.

When an error is identified in the below listed CODES of < 6 units or < 3 prepacks, a record will be generated showing the details of the identified issue, i.e. photos uploaded, comments detailed, notification email generated, etc., however no non-compliance charge will be assessed. It is important to note that a \$25.00 ‘handling charge’ will be assessed to cover the expenses for uploading the above information.

It is the desire of the SRI Vendor Compliance Office that suppliers will review this information with the goal of avoiding larger future similar issues where a full non-compliance charge will be assessed.

The codes covered by this policy are:

CODE(s)	Description
13 A – J	Assorted ticketing errors
14B, E	No tickets/tickets from another retailer
17F	Odd prepacks
17H	Prepacks not ‘bundled’ together
18B/18C	Hanger Sizers
19	Ticket Placement
21B	Damaged Goods
21C	Size Strips
21D	Sealed Garment Bags
21F	Missing EAS Tag
21G	ECOMM UPC Stickers missing

ADDENDUM C: Maximum Compliance Charges as a Percent to PO Cost

SRI will limit the maximum amount of assessed “COMPLIANCE” violations to 25% of the PO’s cost. For example, if the total PO cost = \$1,000.00, the maximum amount of “COMPLIANCE” violations assessed against this PO is \$250.00, i.e. 25% of the total PO cost.

NOTE: This MAX % involves COMPLIANCE charges ONLY, and does not involve “TRANSPORTATION”-based charges. “Transportation-based” charges will be assessed per the schedule detailed in this guide. “Compliance Violations” can be identified by the word “Compliance” under the column “Violation Type” found on pages 42 – 47. “Transportation”-based violations can be identified by the word “Freight” under the column “Violation-Type” found on pages 42 – 47.

NOTE: SRI reserves the right to exceed this MAX % level if the non-compliance violations identified rise to such a level. The decision to exceed this MAX % level will be made by the VP of Vendor Compliance & Relations.

NOTE: The “Small Units In Error” Policy found in Addendum “B” on page 64 does not take into consideration this MAX cost %, i.e. the handling charge of \$25.00 will be assessed in such instances

ADDENDUM D: REQUIRED EAS TAGGING FOR SPECIFIC DEPTS/MERCHANDISE

On September 17, 2014, an email was sent to all suppliers of the following SRI Department #'s detailing the requirement for EAS tags effective 2-1-15. This email detailed the following information:

Effective February 1, 2015, suppliers will be **REQUIRED** to place EAS (security) tags in/on merchandise sold to Stage Stores within the following departments:

These departments include:

- Dept 1468- Watches
- Dept 1473- Costume Jewelry
- Dept 1496- Fine Jewelry

EAS Tag Suppliers:

- The 2 largest suppliers/manufacturers of EAS tags are "A & H Manufacturing" and "B & G International".
- These EAS tag suppliers manufacture EAS tags that support the security systems found in the Stage Stores. Therefore it is critical that suppliers must apply such tags in order to have the ultimate desired security effect.
- These same tag suppliers support other 3rd party sellers of these tags... therefore please ask your current tag seller if they support these formats.
- **Department 1468 - Watches**
B&G
Swivel Tag – Style # 1, 2 or 3

A&H

Self-Locking Tag – style # EAS-SL01

Molded Cable Tag – style # EAS-MC01

NOTE: If the watch has a UPC tag with enough surface area on the reverse side of the tag to properly attached an EAS tag AND if the device holding the UPC to the merchandise is theft resistant, the supplier 'may' place the EAS tag as noted. The purpose of this EAS tag is to prevent/identify theft. Therefore it is critical that an EAS tag cannot be placed on a part of the packaging that could be easily removed and disposed of by the 'customer' prior to leaving the store... as this defeats the purpose.

- **Carded Jewelry**
A&H
Fold-over Card with Imbedded EAS Tag solution style # EAS-CF01
Extended Hanger Card – style # EAS-EA01
Please do not place the EAS tag at the base of the card.

NOTE: It is IMPERATIVE that cards with the added EAS tags MUST properly fit on store display towers, i.e. the applied EAS tag cannot force the card to 'stick out' or not properly seat on the display. Therefore, suppliers in this category will be required to send sample tags with EAS tags applied to their BUYER for approval PRIOR to shipping. Suppliers are encouraged to complete this process "SOONER" rather than "LATER" in the EAS application process.

- **Non-Carded Jewelry Necklaces and Bracelets**
A&H
Self-Locking Tag – style # EAS-SL01
Molded Cable Tag – style # EAS-MC01
(Stage Stores requests that suppliers avoid the use of 'Tri-Fold' String Tag # EAS-TS01.)

If your company has a request for a tag location beyond what is stated on the attached, please contact VendorCompliance@StageStores.com for direction PRIOR to shipping.

Additional IMPORTANT Information:

- Suppliers are NOT to use 'dummy' EAS tags. All such tags need to be active and 'real'
- Stage Stores has noticed that several suppliers in the above listed departments are already applying EAS security tags to their merchandise. No changes will be required of these suppliers as long as their already applied EAS tags comply with the above requirements.
- The application of the required EAS tag MUST NOT interfere with the proper sales floor presentation. For example, if an EAS tag is placed on the exterior of a display box, the sales presentation is negatively affected. (In such cases, the EAS tag should be placed inside the carton in a position not visible by the consumer.)
- If the EAS tag has no other alternative location other than to be placed on the carton's exterior, the location of the EAS TAG must be placed in the most inconspicuous location possible to avoid negative impact to the sales floor presentation.
- Questions on where to place your EAS tag not addressed by the above directions should be immediately addressed to your merchants.
- The bottom-line for such EAS tag placement: "The final placement of the required EAS TAG must NOT impede the proper sales floor presentation/display of the merchandise."

For failure to see follow this requirement, see non-compliance CODE 21F for chargeback details.

ADDENDUM E: \$ 25.00 Notification Charge

As reported in both Addendums "B" & "C", Stage will initiate a \$25.00 notification charge to cover the expenses of obtaining, uploading, notifying, and maintaining the database of the charges detailed in these 2 Addendums. Stage will also assess this \$25.00 "Notification Charge" for those suppliers granted a "TEMPORARY EXEMPTION" for specific non-compliance CODES for a specific period of time.

For example, if a supplier receives a "TEMPORARY EXEMPTION" for non-compliance CODE 19 (Ticket Placement) until a specific date, whenever Stage identifies such a violation on an incoming shipment, Stage will 'assess' a CODE 19 violation in the amount of \$25.00. The comments will state that it is a 'notification charge' and will provide all of the photos, comments, and other specific data related to that violation. An email notification to the supplier will also be generated. Suppliers are encouraged to review the data during any 'Temporary Exemption' period in order to correct that issue prior to the expiration of that exemption.

ADDENDUM F: GS1-128 Labels Horizontal (Landscape)

Layout

Please note the following approved layout versions for the GS1-128 labels in a “Horizontal Layout”.


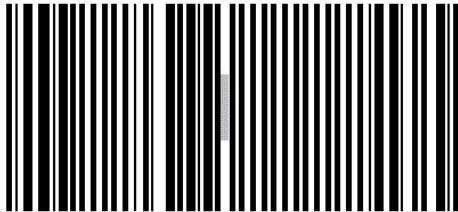
Please reference pages 27 – 32 regarding the requirements for each of the zones detailed.

Where possible, suppliers are encourage to use GS1-128 labels in a Horizontal (Landscape) layout when cartons are short, i.e. at 4” minimum, etc.


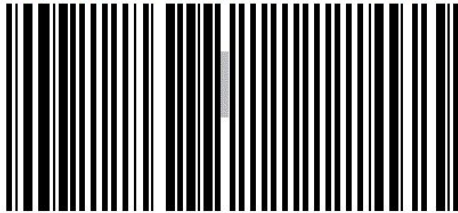
BULK-SINGLE UNITS

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip		G	STAGE STORES WAREHOUSE 00601 Jacksonville, TX 75766
SHIP TO POST (420) 60950 		Carrier: ROADWAY B/L#: 213456			(00) 0 0712345 000000001 9 
PO : 45998666 SIZE: M STYLE : 9867 DEPT: 1234 COLOR: Yellow QTY: 8					

PRE-PACK BULK

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip		G	FOR: STAGE STORES INC. 00601 Jacksonville, TX 75766														
SHIP TO POST (420) 60950 		Carrier: ROADWAY B/L#: 213456			CARTON: 1 of 17														
PO : 45998666 STYLE : 9867 DEPT: 1234 PPK QTY: 1 COLOR: Yellow					(00) 0 0712345 000000001 9 														
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>SIZE</td> <td>XS</td> <td>S</td> <td>M</td> <td>L</td> <td>XL</td> <td>XXL</td> </tr> <tr> <td>QTY</td> <td>1</td> <td>1</td> <td>2</td> <td>2</td> <td>1</td> <td>1</td> </tr> </table>						SIZE	XS	S	M	L	XL	XXL	QTY	1	1	2	2	1	1
SIZE	XS	S	M	L	XL	XXL													
QTY	1	1	2	2	1	1													

PACK-BY-STORE

FROM: Vendor Name Address City, State Zip		TO: Stage Stores Distribution Center Address City, State Zip		G		00205	
SHIP TO POST (420) 60950 		Carrier: ROADWAY		(00) 0 0712345 00000001 9 			
PO : 45998666 DEPT: 1234		CARTON: 1 of 17 PIECES:12					

ADDENDUM G: Home Merchandise- Ticketing Clarification

Please note the following as additional ticketing location clarification for “Home Merchandise”. When in doubt as to the proper ticket location for your specific product, please contact Stage Vendor Compliance (VendorCompliance@StageStores.com) BEFORE you ship.


Special ticket locations for Textiles:

Textiles will be broken into the below listed categories with the special issues noted:

- | <u>Category</u> | <u>Special Issue/INFO</u> |
|---------------------------------------|--|
| Towels | Supplier will place the retail price/dept/class on the sewn-in UPC/Care label. |
| Sheet Sets | Supplier will place the retail price/dept/class next to the UPC code- most likely on the back or side of package. |
| Memory Foam Pads & Pillows | Supplier will likely have 2 UPC codes- one on the top of the box and one on the bottom. This is NOT a double tag violation. Supplier may also place the retail next to one of the bar codes and/or on the front, customer facing package side. All are acceptable. |
| Comforter Sets | Supplier will place the retail price/dept/class next to the UPC code located on the card insert within the zipped polybag surrounding the comforter set. |
| Quilts | Supplier will place the retail price/dept/class next to the UPC code located on the card insert within the zipped polybag surrounding the quilt. |
| Throws | Supplier will place the retail price/dept/class next to the UPC code located on the card insert within the zipped polybag surrounding the throw. |
| Pillows | Retail price marking will be next to the UPC bar code on the card insert within the polybag surrounding the pillow. |

ADDENDUM H: Scorecard Categories

On May 1, 2015, SRI announced that a Supplier Scorecard was available on the “PEP” Compliance Site. Below is a sample print out of the available scorecard.



BEALLS • GOODY'S • PALAIS ROYAL • PEEBLES • STAGE

Vendor Compliance & Routing Scorecard

Report Time: 05/06/15 04:47:51

SCORECARD: Supplier: [Redacted]
 Timeframe: From: 01/01/15 To: 05/01/15
 Merchandise Level: [Redacted]

Major Categories	Measured By	Charge \$'s	# of Deductions	PO/ASN's in Error	Total PO/ASN's	% Compliant	Grade
Missing / Invalid ASN*	ASNs	\$11,375.00	34	14	340	96	C
Contents Do Not Match ASN*	ASNs	\$7,655.60	23	10	340	97	C
Late ASN / Invalid Date*	ASNs	\$0.00	0	0	340	100	A
Other EDI Errors*	ASNs	\$0.00	0	0	340	100	A
PO Violations	PO	\$838.97	8	3	369	99	B
BOL Error	ASNs	\$1,200.00	4	0	340	100	A
Freight / Carrier Violations	ASNs	\$1,475.00	9	5	340	99	B
Small Parcel Charges	ASNs	\$0.00	0	0	340	100	A
Early / Late Shipment	ASNs	\$0.00	0	0	340	100	A
Not Shipped As Required By PO	ASNs	\$1,000.00	2	0	340	100	A
Fill Rate Compliance	PO	\$0.00	0	0	369	100	A
Floor Ready Compliance	ASNs	\$15,429.60	276	103	340	70	F
Barcode / Carton Label	ASNs	\$5,889.75	28	2	340	99	B
Assorted Compliance Issues	NO GRADE	\$945.96	12	7			NA
TOTAL		\$45,809.88	396				B

Grade Legend: % Compliant column greater than or equal to 99.5 = A
 greater than or equal to 98 but less than 99.5 = B
 greater than or equal to 95 but less than 98 = C
 greater than or equal to 90 but less than 95 = D
 less than 90 = F

The following Compliance Codes comprise the above “Major Categories”:

Major Categories	Identifier
Missing / Invalid ASN	A
Contents Do Not Match ASN	B
Late ASN/Invalid Date	C
Other EDI Errors	D
PO Violations	E
BOL Error	F
Freight/Carrier Violations	G
Small Parcel Charges	H
Early/Late Shipment	I
Not Shipped As Required By PO	J
Fill Rate Compliance	K
Floor Ready Compliance	L
Barcode/Carton Label	M
Assorted Compliance Issues	N

CODE	Major Category
1A	I
1B	I
2	E
3A	M
3B	M
3C	M
3D	M
3E	M
3F	M
3G	M
3H	M
3I	M
3J	M
4D	F
4E	F
4F	E
4I	F
4J	F
4K	F
4L	F
4M	F
4N	F
4P	F
6	J
6A	L
6B	L
7A	D
7B	D
7C	A
7D	E
7E	E
7F	D
8A	J
8B	J
8C	J
10	K
11	K

CODE	Major Category
12A	G
12C	E
12D	G
12E	G
12H	G
12I	G
12J	G
12K	G
12L	E
12M	G
12N	G
12O	G
12P	G
12Q	G
12R	E
12S	G
12T	G
12U	G
12V	G
12W	G
12X	G
12Y	G
12Z	G
12Z-1	G
12Z-2	G
13A	E
13B	L
13C	L
13D	L
13E	L
13F	L
13G	L
13H	L
13I	L
13J	L

CODE	Major Category
14B	L
14E	L
15A	E
15B	E
15C	E
15D	E
16A	A
16A-1	C
16B	B
16B-1	A
16C	D
16D	M
16E	M
16F	M
16F-1	M
16G	A
16H	A
16I	D
16J	M
16K	A
16L	C
17A	J
17B	E
17C	J
17D	J
17E	J
17F	J
17G	J
17H	J
18	L
18A	L
18B	L
18C	L

CODE	Major Category
19	L
20	G
21A	L
21B	L
21C	L
21D	L
21E	L
21F	L
21G	L
21H	L
21J	L
21K	L
22	E
22A	N
22B	N
23	N
23A	N
24	N
25	N
26	G
27	N
28	N
29	H
30	H
31	N
32	N
33	N
34	N
35	H
36	N
37	G
38	N
39	H
40A	N
40B	N
40C	N
40D	N
40E	N

ADDENDUM I: Required Vendor Certification

VENDOR COMPLIANCE CERTIFICATION SOURCING AND MANUFACTURING MERCHANDISE

The company identified below (“Vendor”) certifies to Specialty Retailers, Inc. and its parents, subsidiaries and affiliates (“Stage Stores”) that:

- Vendor has exercised due care and established systems, policies and procedures to ensure legal compliance and is aware of no information that reasonably suggests that any of the goods supplied to or manufactured for Stage Stores are in violation of any applicable laws, rules, and regulations.
- Vendor will comply with Stage Stores’ Vendor Compliance Requirements (located at <http://www.gxs.com/stage>), including, without limitation, Stage Stores’ Vendor Compliance Requirements for Sourcing and Manufacturing Merchandise.
- Vendor understands and agrees that Stage Stores may monitor compliance through audit reviews or documentation verification or otherwise.

By executing this Vendor Compliance Certification, the authorized signatory of the Vendor attests and certifies that, as of the date set forth below, the foregoing is true and correct.

Enter ALL Applicable Vendor #s:

Legal Operating Name of Vendor: _____

Address, City, State, Zip

Printed Name of Signatory

Title

Signature

Date

Email address: _____

**Please email signed/completed copy of this form to: VendorCompliance@stagestores.com
Suppliers that have not completed this form MUST do so immediately. ALL Suppliers must complete this form.**

Send your questions to: VendorCompliance@stagestores.com

ADDENDUM J: Container Weight Verification

Container Weight Verification

Effective Date: July 1, 2016-

See required "Shipper VGM Declaration Form" on page 75.

New Regulation

At the end of 2014, the International Maritime Organization (IMO) adopted amendments to the Safety of Life at Sea Convention (SOLAS) that will require every packed export container to have a verified container weight as a condition for loading aboard a vessel.

The requirement making container weight verification a condition for vessel loading will become legally binding on July 1, 2016.

All parties involved in the international transportation of maritime containers – including shippers, will need to take measures to ensure that they are prepared to fulfill the new SOLAS regulatory requirement before the implementation date arrives.

The proposed amendments to SOLAS are intended to:

- ⊗ Reduce the loss of containers from vessels
- ⊗ Provide assurance to other parties in the supply chain
- ⊗ Improve safety of the workforce, vessel, and equipment

Background

Container weight issues, like overweight/underweight containers, misdeclared freight, poor weight distribution within a container, and inadequate securing thus an unstable container, have been a serious concern for the industry. Container lines, port labor and terminal operators have pointed to recent accidents, including the breaking up of the MSC Napoli on the southern U.K. coast in January 2007, the partial capsizing of the MV Deneb in 2011, and the July 2013 sinking of the 8,000TEU MOL Comfort in the Indian Ocean as proof of the need for mandatory container weighing.

Impact to the Shipper

- ⊗ The shipper is required to verify the gross mass (using Method 1 or Method 2 explained below), and to communicate the verified mass in a shipping document.
- ⊗ The shipping document could either be the shipping instructions to the line, or a separate communication such as a weight certificate.
- ⊗ The information must highlight that the gross mass is the "verified gross mass", signed by somebody duly authorized by the shipper, and received in time to be used by the master and terminal representative in the ship's stowage plan.

Basic Principles Under SOLAS Requirement

1. Before a packed container can be loaded onto a ship, its weight must be determined through weighing. It is a violation of SOLAS to load a packed container aboard a vessel to which SOLAS applies without a proper weight verification. There is no exception to this requirement.

2. Under the SOLAS amendments, there are two permissible methods for weighing:

Method 1, which requires weighing the container after it has been packed, or Method 2, which requires weighing all the cargo and contents of the container and adding those weights to the container's tare weight as indicated on the door end of the container.

3. Estimating weight is not permitted. The shipper (or by arrangement of the shipper, a third party) has a responsibility to weigh the packed container or to weigh its contents.
Under either Method, the weighing equipment used must meet national certification and calibration requirements. Further, the party packing the container cannot use the weight somebody else has provided, except in one specific set of defined circumstances.
4. A carrier may rely on a shipper's signed weight verification to be accurate. The carrier does not need to be a "verifier" of the shipper's weight verification. Nor do the SOLAS amendments require a carrier to verify that a shipper providing a verified weight according to Method 2 has used a method which has been certified and approved by the competent authority of the jurisdiction in which the packing and sealing of the container was completed. However, it is important to note that, for the shipper's weight verification to be compliant with the SOLAS requirement, it must be "signed", meaning a specific person representing the shipper is named and identified as having verified the accuracy of the weight calculation on behalf of the shipper.
5. The lack of a signed shipper weight verification can be remedied by weighing the packed container at the port. If the marine terminal does not have equipment to weigh the container and provide a verified weight, alternative means must be found to obtain a verified container weight; otherwise, the packed container may not be loaded on to the ship.
6. When a marine terminal receives a packed export container that does not have a signed shipper weight verification, there will need to be processes in place at the terminal for obtaining the weight of such containers and using such weights in the vessel stow plan. Terminals and carriers will need to agree on how these situations will be handled.
7. If a packed container is weighed at the load port, that weight is to be used for vessel stow planning.
8. Vessel stow plans should use verified weights for all packed containers loaded on board.

Enforcement and Penalties

Enforcement methods and penalties are not defined at present.

The main sanction under SOLAS is that unless the verified weight has been provided to the ship's master or his representative and the terminal operator, the container should not be loaded onboard the vessel.

For more information and questions, please contact your local Expeditors office.

Sources:

http://www.worldshipping.org/industry-issues/safety/WSC_Guidelines_for_Implementing_the_SOLAS_Container_Weight_Verification_Requirement.pdf

<http://www.worldshipping.org/industry-issues/safety/cargo-weight>

Questions regarding this may be directed to: Logistics@StageStores.com

Specialty Retailers, Inc

Shipper VGM Declaration Form

In order to comply with the SOLAS (Safety of Life at Sea) regulation, please complete the below form to declare the verified gross mass (VGM).

Shipper Name	
Booking Number	
Container Number	
Weighing Company Name (if 3 rd party)	
Weighing Company Address and Contact Details (if 3 rd party)	
Date of weighing	
Method used for weighing (method 1 or method 2)*	
If method 2, please enter cargo weight and unit of measure	
If method 2, please enter dunnage weight and unit of measure	
If method 2, please enter tare weight and unit of measure	
Total VGM (Verified Gross Mass) weight and unit of measure	
Signature (Electronic signature: Name of signatory in CAPS)	
Signatory Company Name	
Signatory Company Contact Details	
Date	

***Method 1:** "Upon the conclusion of packing and sealing a container, the shipper may weigh, or have arranged that a third party weighs, the packed container"

Method 2: "The shipper (or, by arrangement of the shipper, a third party), may weigh all packages and cargo items, including the mass of pallets, dunnage and other packing and securing material to be packed in the container, and add the tare mass of the container to the sum of the single masses".

By my signature above, I certify that the information I provided in this form is accurate and complete.

Once completed, please email this form to: Logistics@StageStores.com

ADDENDUM K: Properly Formatted "Small Parcel Carrier"
carton label

