



Vendor Logistics/Shipping Manual

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Revised: February 2017

UPON RECEIPT OF THIS MANUAL ALL PREVIOUS LOGISTICS/SHIPPING MANUALS MUST BE DESTROYED

Recent updates have been made to the following sections (highlighted in red):

- **E-Commerce Packing Guidelines**
 - **Internet Image Quality Requirements**
- **Hbc Compliance Program**
 - **Internet Standards**

Previous Updates as of July 2016

- **Floor Ready Requirements**
 - **Ticket Format – Tags & Labels**

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1 Hudson's Bay Contact Listing

Department	Name/Title & Responsibility	Contact Information
Appointment Scheduling	Debra Marcinko, Senior Manager SRM L&T & Compliance & Appointment Scheduling	Debra_Marcinko@LordAndTaylor.com 570-821-6294
	Coleen Heichel, Supervisor Appointment Scheduling	coleen_heichel@lordandtaylor.com 570-821-6378
	Appointment Scheduling, General Inquiries Mailbox	hbc.auto.appt@hbc.com 570-821-6440
Compliance Inquiries	Debra Marcinko, Senior Manager SRM L&T & Compliance & Appointment Scheduling	Debra_Marcinko@LordAndTaylor.com 570-821-6294
	Kelly Meehan, Supervisor Vendor Compliance Hbc & L&T Inquiries related to deductions referring to DR, LB & VC	compliance.inquiries@hbc.com
EDI	Andrea Smith, Senior Manager, Merchandise Information Office/EDI	Andrea_Smith@lordandtaylor.com 212-382-6326
	Verna Barr, Senior Analyst, EDI	verna.barr@hbc.com 905-792-6314
	<i>Please refer to the EDI website under the tab 'Contacts' for a breakdown of support team accountabilities for EDI vendor queries & transactions.</i>	
Hbc Accounts Payable Hotline	Questions related to accounts payable debit memos/claims/deductions in accordance with vendor agreement (MMVA) or as negotiated with the buying team. A ticket number will be issued.	1-800-521-2366
Import Logistics Department	Helene Guinan, Director Hbc Imports Payables & Customs Accounting	Helene.guinan@hbc.com 905-792-5489
	Mui Ming Chow, Customs Manager	Muiming.chow@hbc.com 905-792-5469
	Mike Wong, Customs Supervisor	Mike.wong@hbc.com 905-792-5468
Supplier Relationship Management (SRM)	Gilbert Miller, Senior Manager SRM, Lord and Taylor and HBC	Gilbert.miller@hbc.com 905-792-4480
	Debra Marcinko, Senior Manager SRM L&T & Compliance & Appointment Scheduling	Debra_Marcinko@LordAndTaylor.com 570-821-6294
	Antonella Savaglio, SRM Manager, GMM 2 Mens, Kids & Luggage GMM 8, Top Shop/Top Man	Antonella.savaglio@hbc.com 905-792-4591
	Crystal Chen, SRM Offshore Manager, GMM 3 Cosmetics & Fragrances, MHF, DTS	Crystal.chen@hbc.com 905-792-4568
	Jeff Hamm, SRM Manager, GMM 7 Home, GMM 8 Specialty, Hudson's Bay & Home Outfitters	Jeff.hamm@hbc.com 905-792-4503
	Mary Iannuzzi, SRM Manager GMM 1 Ladies Apparel, GMM 4 Centre Core & Intimates, GMM 8 Kleinfeld & Hbc Signature	Mary.iannuzzi@hbc.com 905-792-4552
Vendor Portal	Amy Thomas, Accounts Payable Assistant Manager Finance	Amy_thomas@saksinc.com 601-592-2883
	Vendor Portal – Support Business Support is through our Helpdesk AP Supports is through our financial Helpdesk	1-800-521-2366 Hbc.ap.helpdesk@hbc.com



2 HBC Logistics Profile

2.1 Overview

The Hudson's Bay Company (HBC) is committed to have merchandise that our customers want, when they need it, and at the price and quality they expect. The expectation for our vendors is that our merchandise arrives at our stores floor ready. Which means the shipment can move from our trucks to our stores and can be immediately sent to the sales floor with no delay or re-work required. This manual outlines the required guidelines and standards that we expect our vendors to adhere to when shipping to our distribution centers (DC's) and our stores. HBC is committed to working with our vendor community, enabling continuous improvement in service levels and cost reductions.

2.2 Transportation

The HBC Transportation team is committed to providing HBC's family of stores across Canada with on-time, just-in-time, cost effective transportation services direct from our distribution centers and depots.

2.3 Distribution Centres

HBC is dedicated to a dependable and accurate flow of merchandise through our distribution centers to maximize store in stocks, speed to market and efficient logistics costs. There are five HBC DC's in Canada:

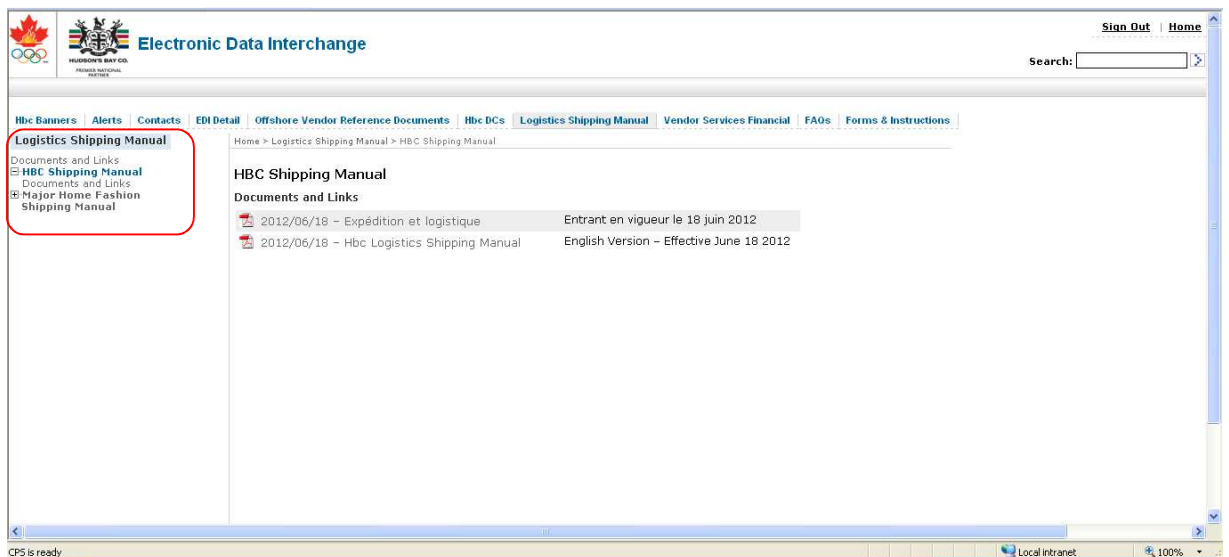
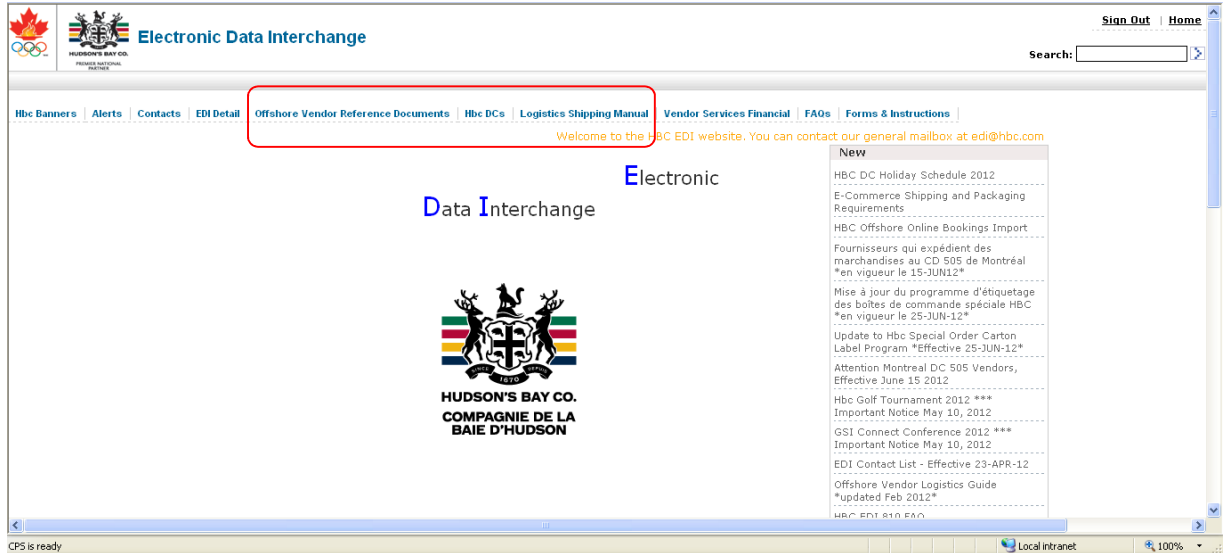
Facility	Services
Vancouver Logistics Centre (VLC-507) 18111 Blundell Road Richmond, BC V6W 1L8	International Import processing to other DC's and shipping to regional Store group.
E-Commerce Fulfillment Centre (Store 1963) 100 Metropolitan Road Scarborough, Ontario M1R 5A2	Fulfillment of e-commerce orders direct to customer.
Eastern Big Centre (EBTC-591) 160 Carrier Drive Rexdale, Ontario M9W 5R1	Shipment processing of Eastern Big Ticket vendor's merchandise.
Toronto Logistics Centre (TLC-596) 145 Carrier Drive Rexdale, Ontario M9W 5N5	Shipment processing of vendor's merchandise to other DC's and shipping to regional store groups.

2.4 Vendor Shipping Manual

HBC's Logistics Shipping Manual (Domestic/US Vendors) - can be found on HBC's Electronic Data Interchange (EDI) Website under the 'Logistics Shipping Manual' tab. (<http://hbcediextranet.hbc.com>)

HBC's Logistics Shipping Manual (Import/Overseas Vendors) - can be found on HBC's EDI Website under the Offshore Vendor Reference Documents' tab. (<http://hbcediextranet.hbc.com>)

Figure 2 A : Screenshots of the EDI where the manuals can be found



2.5 Vendor Communication of Policies and Change

HBC Vendor Portal Site: HBC posts communication to our vendor community via our HBC Vendor Portal (<http://vendorpartners.hbc.com>). All communication will be displayed on the homepage under the 'Announcements' heading. There are 2 types of communication posts; Action and Notification. When an announcement is indicated as 'Action', vendors are required to implement a new or change to current process.

Figure 2 B : Announcements on the HBC Vendor Portal

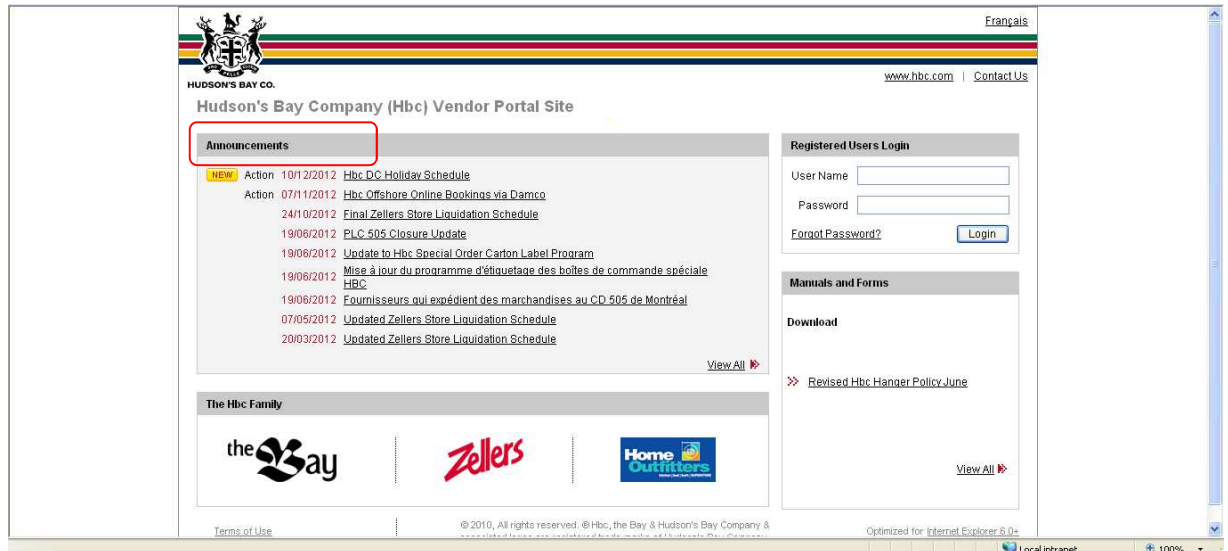


Figure 2 C : Notification of the "Action" Alerts

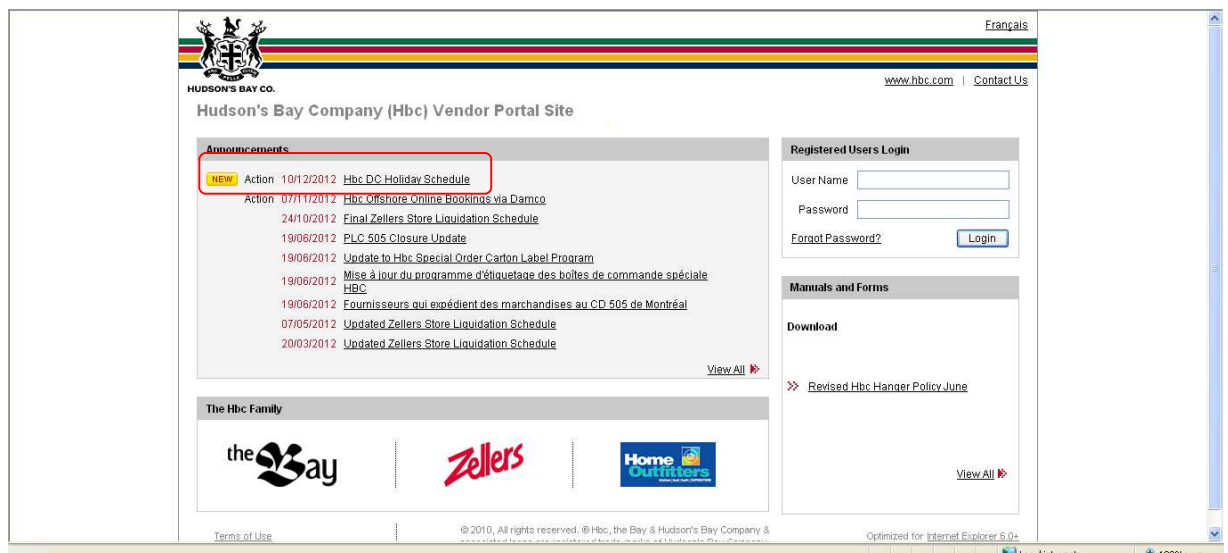
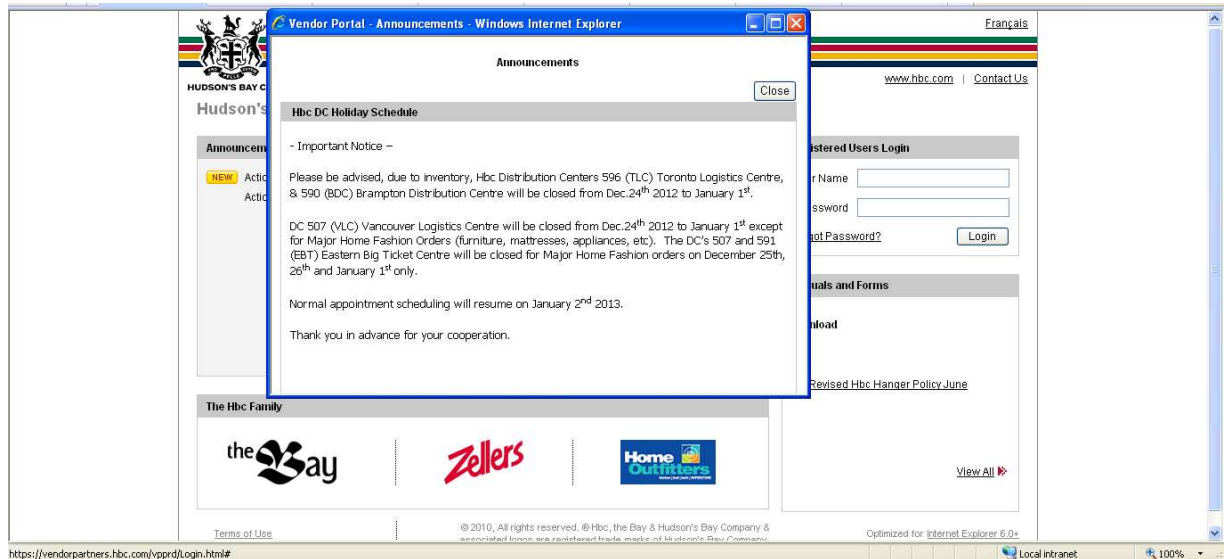


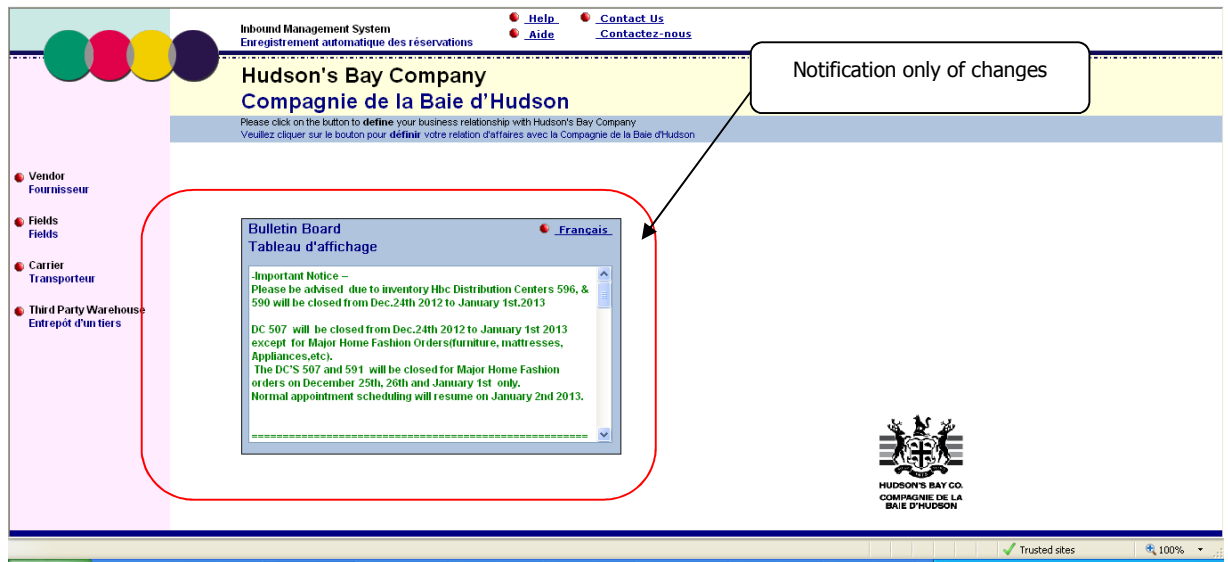
Figure 2 D : Announcement Window


HBC EDI Website: Communication will be displayed on the homepage of the EDI Website (<http://HBCediextranet.HBC.com>) under the 'New' heading. Archived alerts can also be found under the 'Alerts' tab.

Figure 2 E : Current Messages and Alerts Tab


IMS (Appointment booking) Bulletin Board: Communication will be displayed on the homepage of the appointment booking website (<https://aas.qlogitek.com/aas/>), before vendor sign on screen. These are notifications only with more details referenced on the HBC Vendor Portal Site and HBC EDI Website.

Figure 2 F : Notification of changes



864 text messages: For general communications targeted to all vendors, an EDI 864 text message is sent notifying there is a new alert that has been posted on the HBC EDI Website.

Email: Communication targeted at a selected group of vendors. HBC will communicate via email to correspond changes directly to this group.



3 New Vendor Setup Requirements

3.1 HBC's Vendor Portal

The vendor portal is a 'One-Stop-Shop' for Vendors to interact with HBC for several key processes. It is the 1st interactive step for new vendors to be systematically set up in order to do business with HBC.

3.1.1 Vendor Portal Tools

e-deal SMF (Supplier Maintenance Form)

- Electronic replacement for current paper SMF
- Key information required to initiate a new vendor agreement

e-deal MMVA (Master Merchandise Vendor Agreement)

- Electronic replacement for current paper MMVA
- Ability to Create / Amend or Replace MMVA's online
- Online approval for better visibility and workflow

e-deal SAA (Special Allowance Agreement)

- Electronic replacement for current SAA form
- Ability to create / approve SAA's online
- Faster turnaround and easier workflow for more rapid deployment of SAA's

AP Inquiry

- AP Self-Serve inquiry functionality will allow vendors to view the details of their account without having to request the information
- Online data will display debits, credits and balances, reflective of activity on the vendor accounts

Note: All documents are legally binding

3.1.2 Vendor Portal Vendor Administrator Access

- Access for vendors is managed through a 'Vendor Administrator' (only one person can be defined as an administrator)
- This administrator is responsible for maintaining and setting up access for the other users at the vendor up to a maximum of 10 users
- Once initially set-up, you will receive a temporary User ID / Password to complete the SMF process
- After a Master Vendor Number has been created, you will be assigned a User ID (based on that #) as well as a temporary password you should change.
- **Note:** this will be the case for ALL existing vendors

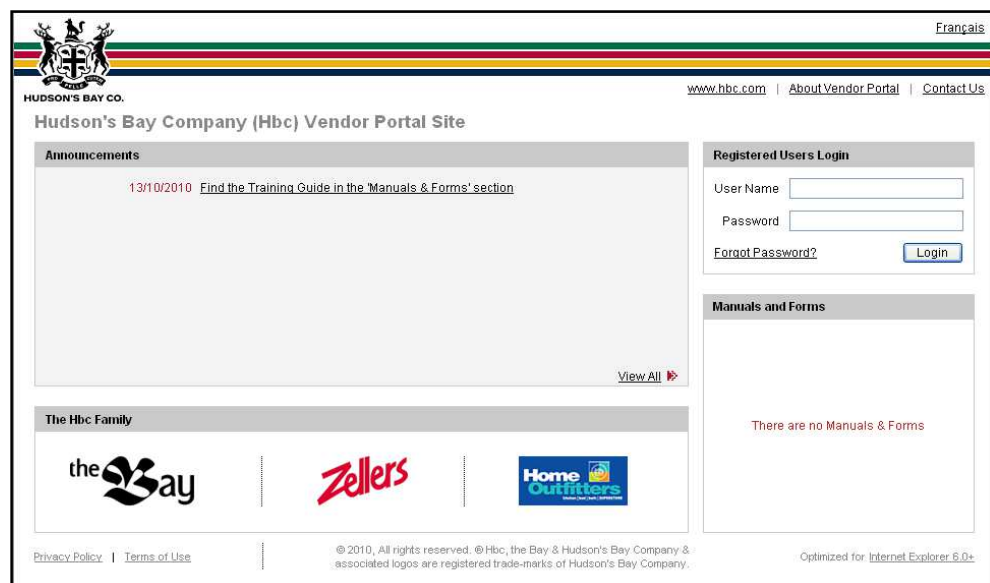
Figure 3 A : Vendor Portal – Vendor Roles | Capabilities

User Activity List								
External Users	SMF	MMVA	SAA	AP- Payments	AP- Balance	AP- Invoice	Claims	Other Activity Id
Primary Role								
Vendor Admin	Read Update							Add/Edit External users for their company
External User								
Additional Role								
Vendor SMF	Read Update							
Vendor MMVA		Read Update						
Vendor SAA			Read Update					
Vendor AP Inquiry				Read	Read	Read	Read	
Vendor Signing Officer	Read Update	Read Update	Read Update	Read	Read	Read	Read	

3.1.3 Vendor Portal – Navigation

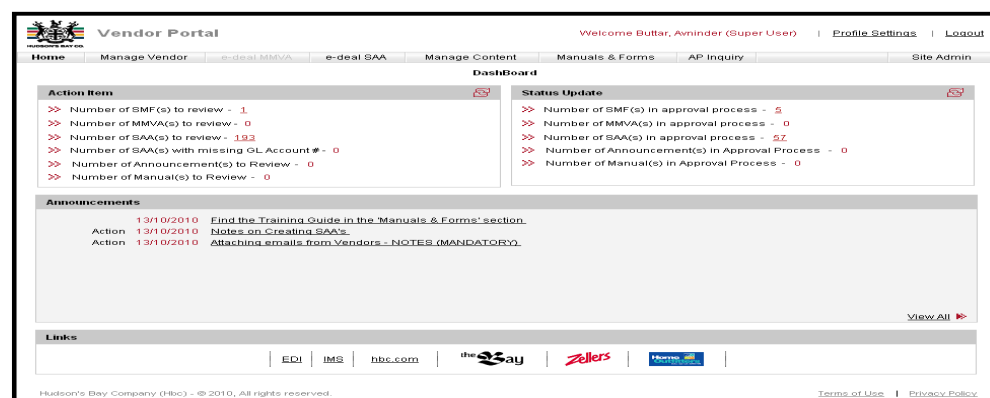
- <http://vendorpartners.hbc.com>
- Launch page will contain public announcements and forms
- User name / Password is assigned to you by the system during the SMF process
- Passwords can be changed for individual users
- **NOTE:** It is the responsibility of the vendor to go into the portal daily for action and status. This will become the main contact point for all alerts.

Figure 3 B : Homepage of the HBC Vendor Portal Website



- Dashboard page will display announcements and action items that are required
- Will indicate the number of items to have action taken
- Use 'Site Admin' to manage your users

Figure 3 C : Dashboard Page

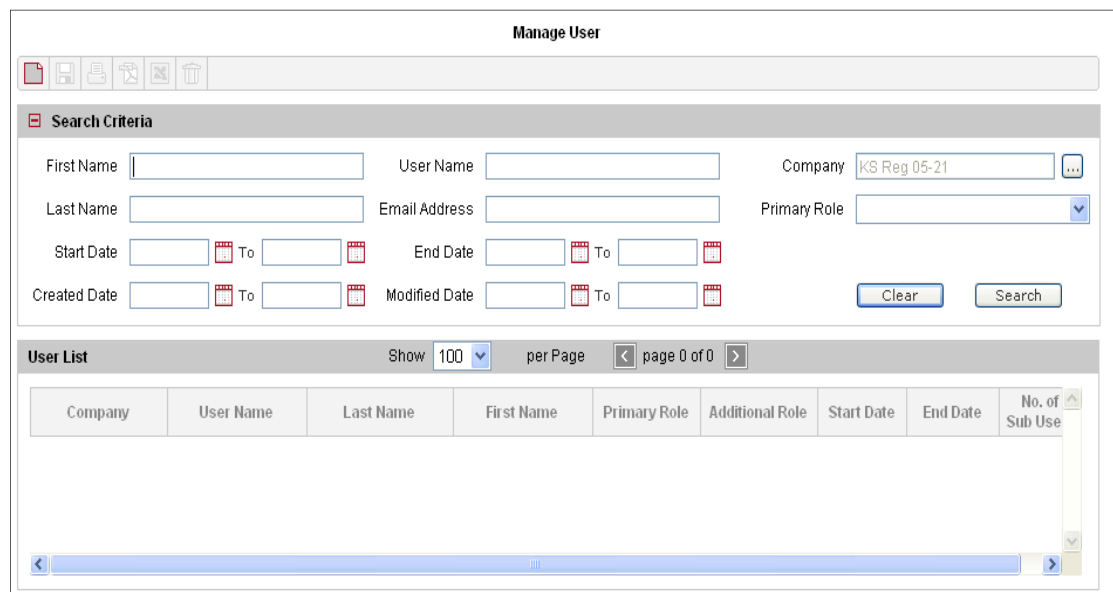


3.1.4 Vendor Portal – User Setup

Vendor Administrators are responsible for:

- Adding/ removing users
- Manage users
- Can do a search on available criteria to find a user
- User details can be managed through the search
- Can create a new user using 'New user' icon
- Maximum of 10 vendor users to control security

Figure 3 D : Manage User Window



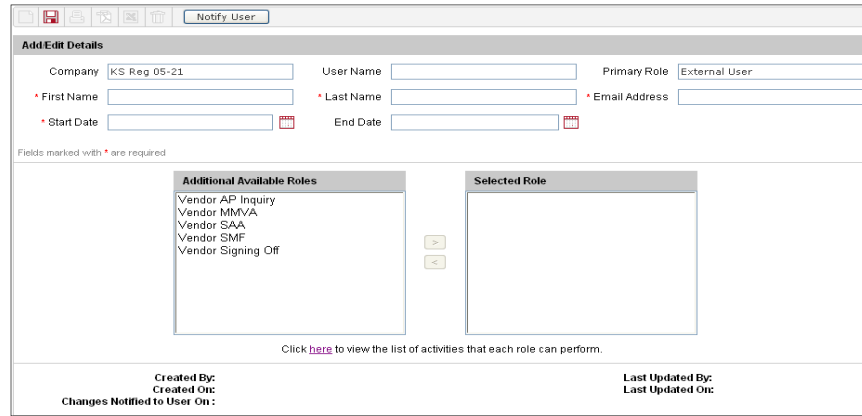
The screenshot shows the 'Manage User' window. At the top, there is a title bar 'Manage User' with standard window controls. Below the title bar is a toolbar with icons for adding, editing, deleting, and searching. The main area is divided into two sections: 'Search Criteria' and 'User List'.

Search Criteria: This section contains several input fields for searching users: First Name, Last Name, User Name, Email Address, Company (with a dropdown menu showing 'KS Reg 05-21'), Primary Role (with a dropdown menu), Start Date, End Date, Created Date, and Modified Date. Each date field has a 'To' field and a calendar icon. There are 'Clear' and 'Search' buttons at the bottom right of this section.

User List: This section displays a table of users. The table has columns for Company, User Name, Last Name, First Name, Primary Role, Additional Role, Start Date, End Date, and No. of Sub Use. The table is currently empty. Above the table, there is a 'Show' dropdown set to '100' and a 'per Page' dropdown. Below the table, there is a pagination bar showing 'page 0 of 0'.

- Must put email contact details for user
- Must indicate a 'Start Date'
 - o This is the date the user should begin using the portal, not necessarily their start date with the organization
- Roles are managed by the Vendor Administrator and should be kept accurate

Figure 3 E : Window to add vendors



3.1.5 Vendor Portal – User Maintenance

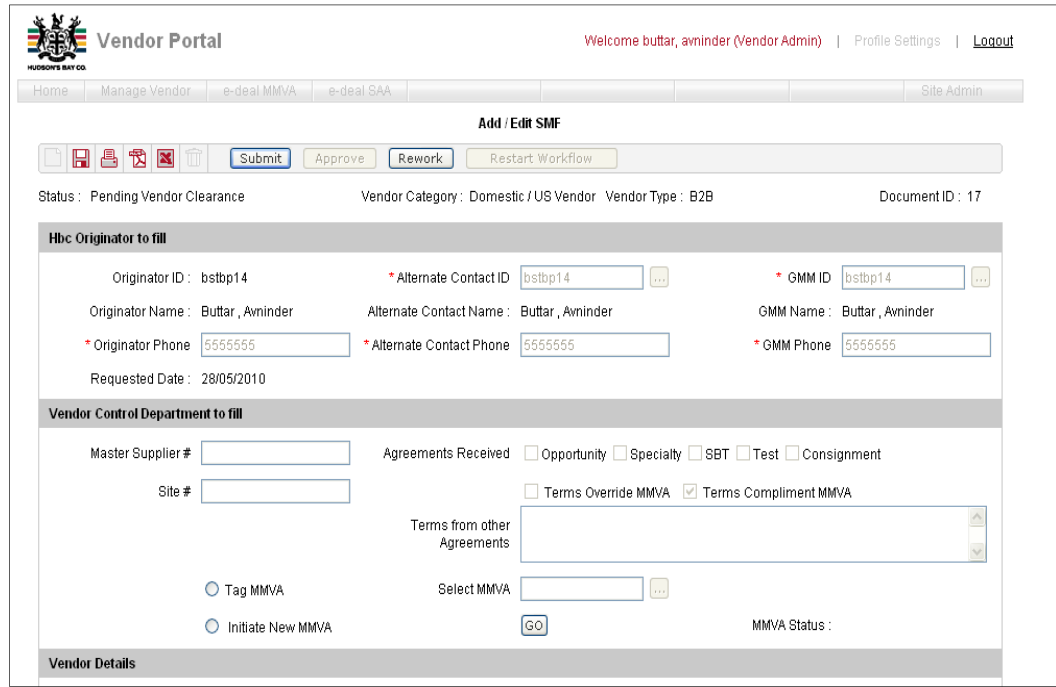
- User maintenance is the responsibility of the vendor.
- It is required for the vendor administrator to set up all users required for the various functions and tasks in the vendor portal.
- Additionally – if there is a vendor user that leaves the vendor for whatever reason, the vendor administrator MUST remove their user access in order to maintain security
- **Note:** Users that are no longer with the vendor that still have access pose a security risk to your data and confidential information. Proper maintenance assists you in keeping your information secure.

3.1.6 Vendor Portal – Responsibilities

New Vendor or New Site – Supplier Maintenance Form (SMF)

- All Vendor Details
- Contact Details
- EDI Technical Details
 - o Changes to Existing Vendor
- Approve if required

Figure 3 F: Supplier Maintenance Form (SMF)



Vendor Portal Welcome buttar, avinder (Vendor Admin) | [Profile Settings](#) | [Logout](#)

[Home](#) [Manage Vendor](#) [e-deal MMVA](#) [e-deal SAA](#) [Site Admin](#)

Add / Edit SMF

[Submit](#) [Approve](#) [Rework](#) [Restart Workflow](#)

Status : Pending Vendor Clearance Vendor Category : Domestic / US Vendor Vendor Type : B2B Document ID : 17

Hbc Originator to fill

Originator ID : bstbp14 * Alternate Contact ID : bstbp14 * GMM ID : bstbp14
 Originator Name : Buttar, Avinder Alternate Contact Name : Buttar, Avinder GMM Name : Buttar, Avinder
 * Originator Phone : 5555555 * Alternate Contact Phone : 5555555 * GMM Phone : 5555555
 Requested Date : 28/05/2010

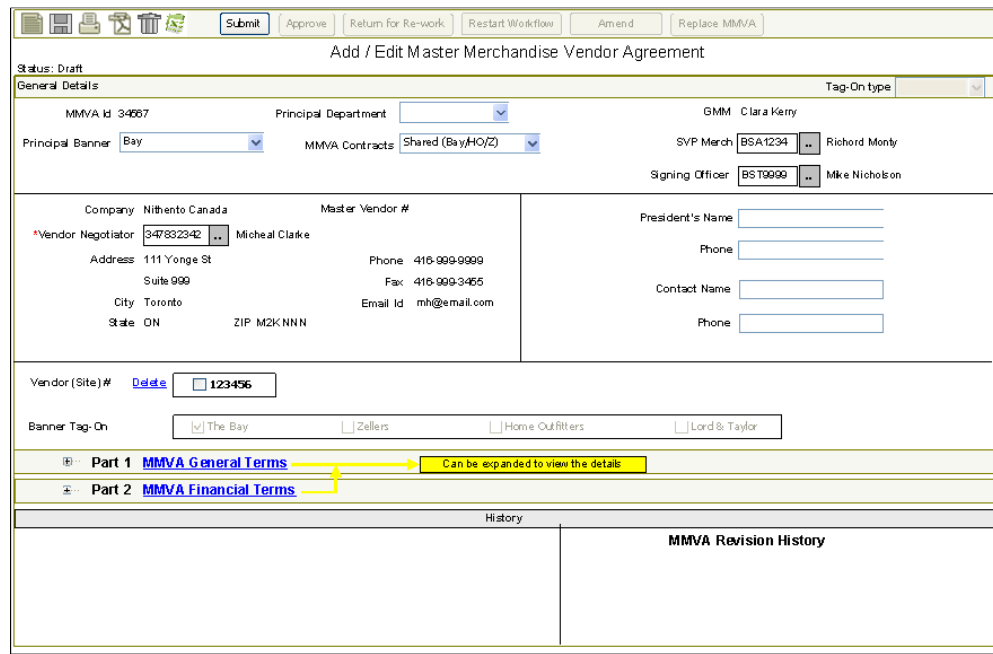
Vendor Control Department to fill

Master Supplier # : Site # :
 Agreements Received ☐ Opportunity ☐ Specialty ☐ SBT ☐ Test ☐ Consignment
☐ Terms Override MMVA ☒ Terms Compliment MMVA
 Terms from other Agreements :
☐ Tag MMVA ☐ Initiate New MMVA Select MMVA : GO MMVA Status :
Vendor Details

3.1.7 MMVA – New MMVA Setup

- If a 'Signing Officer' for the vendor has not been set up, the Vendor Admin needs to do this
- Vendor Signing Officer approves General / Financial terms
- Must enter Initials / Title and Date as part of approval
- If declining the terms, please indicate the reason in 'Comments' and send back to Buyer ("Return for Rework")
- **Note:** The signing officer must have legal signing authority for binding the vendor to contracts on behalf of the organization

Figure 3 G: MMVA Setup



Add / Edit Master Merchandise Vendor Agreement

Status: Draft

General Details

MMVA Id: 34667 Principal Department: GMM Clara Kerry

Principal Banner: Bay MMVA Contracts: Shared (Bay/HQ/Z) SVP Merch: BSA1234 Richard Monty

Signing Officer: BST9999 Mike Nicholson

Company: Nithento Canada Master Vendor #

*Vendor Negotiator: 347832342 Micheal Clarke

Address: 111 Yonge St Phone: 416-999-9999

Suite 999 Fax: 416-999-3465

City: Toronto Email Id: mh@email.com

State: ON ZIP: M2K1N1N

President's Name:

Phone:

Contact Name:

Phone:

Vendor (Site) #: 123456

Banner Tag-On: ☒ The Bay ☐ Zellers ☐ Home Outfitters ☐ Lord & Taylor

Part 1: MMVA General Terms [Can be expanded to view the details](#)

Part 2: MMVA Financial Terms

History

MMVA Revision History

3.1.8 Special Allowance Agreement (SAA)

- Vendor reviews and approves document – this is the last step before the document is considered approved
- Vendor cannot make any changes except adding a 'Vendor Authorization #', which would be a number used internally by the vendor to identify this agreement (if applicable)
- Once you've reviewed and agreed, use the 'Approve' button at the top of the document
- **Note :** Vendors should all negotiations outside the portal



Figure 3 H: Special Allowance Agreement (SAA)

3.1.9 AP Inquiry

- Use this screen to view the status of your financial documents
- Select your 'SITE' and 'TYPE'
- Scroll to the right to see additional information
- Use the filtering criteria if applicable
 - o Invoice date (date of invoice issue)
 - o Amount
 - o Payment date (date of payment processing)
 - o PO #
 - o Vendor Invoice #
 - o Cheque #
 - o PO breakdown
 - o Scanned document if applicable

Note: Vendors will be able to view their financial information (debits, credits, balances) and will reflect what is entered in Oracle. There may be a delay between entry and posting here, but it will not be significant

3.1.10 Vendor Portal- Support

Business Support is through our help desk:

1-800-521-2366

AP Support is through our financial help desk

hbc.ap.helpdesk@hbc.com

3.2 Electronic Data Interchange (EDI)

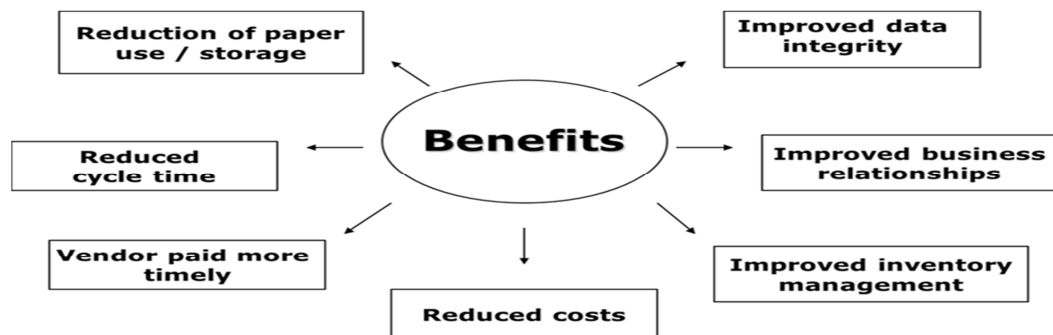
EDI is the exchange of information between different companies using standards translation software and electronic mailbox services (VANS). It is an easy mechanism for companies to trade information. The parties who exchange EDI transmissions are referred to as Trading Partners.

Note: For vendors to trade information electronically through EDI.

Technology is enabling us to streamline the supply chain right from the raw material stage all the way through to our customers in ways that were unimaginable even a few short years ago.

The use of bar codes in combination with EDI and automated systems has resulted in substantial cost savings; significant time savings; increased accuracy; improved productivity; improved customer service and improved sales and profits.

Figure 3 I : Why EDI?

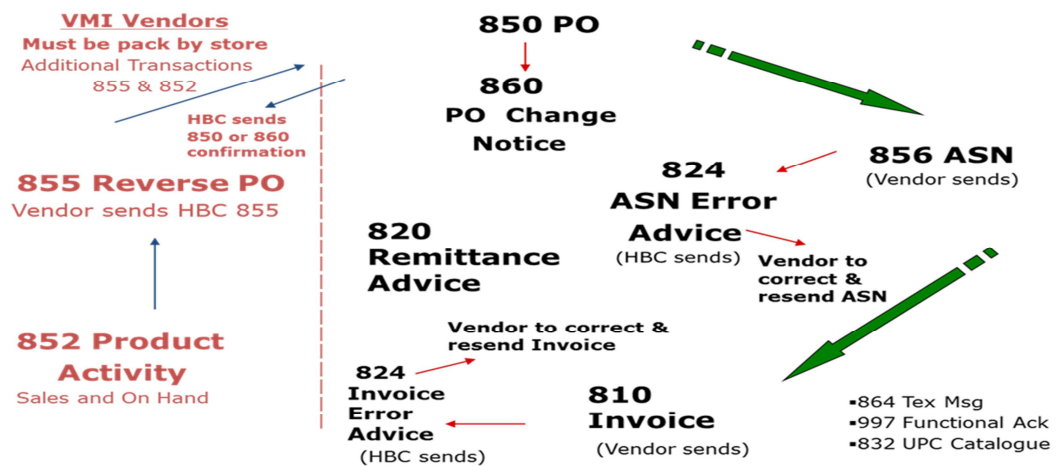


*** It is an HBC requirement that all Vendors are on EDI**

3.2.1 EDI Transactions

FROM HBC (to the Vendor)	FROM THE VENDOR (to HBC)
850 Purchase Order Transaction (mandatory) - Communicated quantities ordered by UPC - Communicates terms and conditions for the PO - Cost/retail prices	856 ASN (Ship Notice/Manifest) Transaction (mandatory) - Identifies quantities shipped by UPC - Communicates shipping information (i.e. BOL, etc.)
860 Purchase Order Change Transaction (mandatory) Communicates PO changes made by the retailer	810 Invoice Transaction (mandatory) Identifies the quantities being invoiced by unit and price to reflect what was shipped on the ASN by PO
824 Application Error Advice Transaction (mandatory) Communicates errors within an ASN or Invoice transmission	997 Functional Acknowledgement Transaction (mandatory) For all documents received
852 Product Activity Transaction (optional) Communicates sales and/or on hand inventory by SKU by Store (Note – see appendix for start-up instructions)	855 Reverse Purchase Order Transaction (optional) Communicates recommended order quantities by UPC
820 Remittance Advice Notice Transaction (mandatory) Communicates details of payment	
864 Text Message Transaction (mandatory) For general communications targeted to all vendors, an EDI 864 text message is sent notifying there is a new alert that has been posted on the HBC EDI Website	

Figure 3 J : Process Map of an EDI Transaction



3.2.2 EDI Requirements for New Vendors

- All new HBC Vendors are required to be EDI compliant to do business with HBC
- Vendors will be given access to Vendor Portal to complete the required information for the Supplier Maintenance Form, Master Merchandise Vendor Agreement and EDI Communication Information.
- Vendors are required to sign and return the EDI Trading Partner Agreement to conduct business via EDI.
- As part of our vendor set up, vendors are mandated to pass testing on our required EDI trade



- documents before the vendor number is activated and any purchase orders are produced.
- Vendors have the option of using their own in-house EDI system and testing with our test provider (2 weeks to complete test and become compliant). Vendors will pay a nominal fee for testing directly to the Test Provider.

OR

- Use an HBC pre-approved Third Party EDI Provider that does not require testing(1 week to become compliant)
- Note:** UCC128 Shipping labels are mandatory on all shipments and your label must be tested and approved by the HBC EDI Dept. prior to going live on EDI.
- Note:** UPC ticketing is also mandatory
- Vendors shipping to HBC are required to book their own shipping appointments via the HBC Appointment Scheduling Website. To gain access, please contact HBC Inbound Control Office at 570-821-6440 to be set up.
- By trading EDI documents with our vendors, we have an opportunity to eliminate significant redundant data entry and dramatically reduce errors while saving considerable time. All HBC requests are within the accepted industry guidelines.

3.2.3 Accuracy & Timeliness

Accuracy and timeliness are the critical issues to the success of the whole Supply Chain Management Cycle. Incorrect input or lack of proper communication at any stage in the cycle, if not rectified in a timely manner, can counteract all the potential benefits of technology.

3.2.4 Web Based Solutions/3rd Party EDI Providers

All Trading Partners also have the option to exchange information over the Internet quickly with a browser-based service.

- Web solutions support both large and small businesses
- Cost effective
- Secure web portal
- HBC Pre-approved providers do not require testing

Below is a list of EDI 3rd Party consultants that are familiar with HBC EDI mappings and procedures:

Company	Contact	Telephone/Fax	e-mail/URL
EDI Gateway	<u>Eros Cannucci</u>	<u>(514) 341-5000</u> <u>F(514) 341-5026</u>	<u>http://www.edigateway.com</u> <u>erosc@edigateway.com</u>
Banyan Commerce	<u>Sales Team</u>	<u>1-877-EDI-CANADA /</u> <u>416-238-7515</u>	<u>sales@banyancommerce.com</u> <u>http://www.banyancommerce.com/</u>
Commport Communications Int'l	<u>Glen Haywood</u>	<u>(905) 727-6782 ext. 2206</u> <u>F(905) 727-7251</u>	<u>http://www.commport.com/</u>
Mega Data	<u>Mike Leger</u>	<u>(514) 738-4666 x 28</u> <u>F(514) 738-6662</u>	
Di Central	<u>Sales Dept</u>	<u>281-480-1121 ask for Sales</u> <u>Dept</u>	<u>www.dicentral.com</u> <u>tsmith@dicentral.com</u>
Virtual Logistics	<u>Robin Smith</u>	<u>(905) 814-1790 ext. 2223</u> <u>F(905) 814-1786</u>	<u>e-mail-info@virtlogic.ca</u>
Innovative Systems	<u>Matthew Sperr</u>	<u>(949) 707-1560</u>	<u>misperr@isllc.com</u>
Vantree Systems	<u>Tracy Panneton</u>	<u>(514) 904-5060</u>	<u>http://www.vantree.com</u> <u>tracy.panneton@vantree.com</u>



3.2.5 EDI Internet Resources

Global Services 1 Canada (GS1) Canada

HBC EDI Website

<http://HBCediextranet.HBC.com>

GS1 Barcode Check Digit Calculator

http://barcodes.gs1us.org/dnn_bcec/Solutions/CheckDigitCalculator/tabid/85/Default.aspx

Sterling Commerce Network

www.sterlingcommerce.com

For more EDI information, please go to Section 4

3.3 Online Appointment Booking – 1st time User

Once a new vendor has been set up using the vendor portal for the SMF, MMVA and EDI processes, the vendor is responsible to obtain access to HBC's Online Appointment Booking website. In order to begin booking appointments online, a vendor needs to acquire a Company Registration user ID to access the Website for the first time for a new vendor number. Please contact via e-mail "HBC.auto.appt@HBC.com" or call the Appointment Office at 570-821-6440 for a Company Registration User ID. Once you have a registration user id, you can set up multiple user ID's for various users within your company.

The appointment scheduling website ONLY works with Internet Explorer and cannot be accessed using Macintosh products.

3.3.1 How to Get a User-ID and Password

The ICC Security Officer and/or Vendor Administrator are responsible for creating new user-ids. Contact your System or Vendor Administrator to obtain your user-id and initial password.

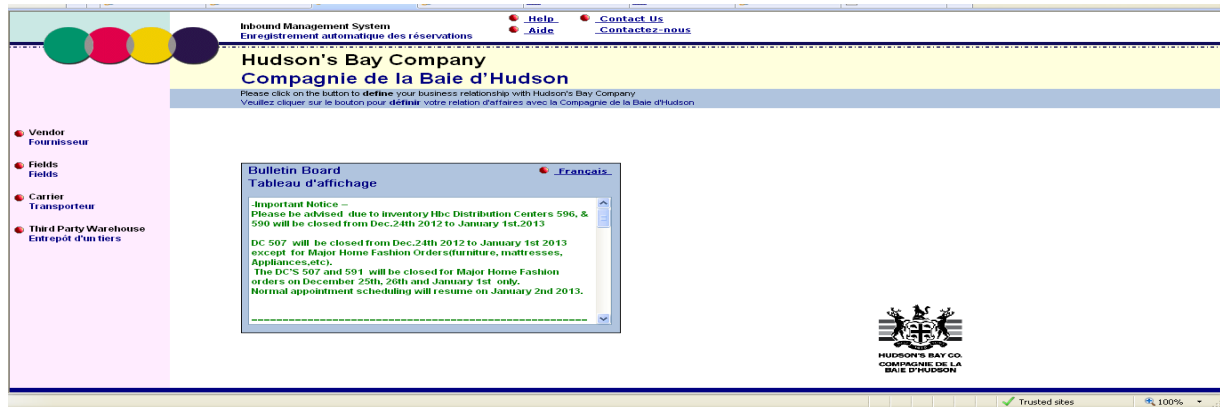
If you have an e-mail address and e-mail software in your PC, you can contact your System Administrator by using the Contact Us button placed in the Header Panel (on the top right-hand corner) of each IMS page.

3.3.2 User-ID and Password Rules

- A user-id and password will have a minimum of 5 digits each.
- The user-id is not case sensitive.
- The password is case sensitive. It will expire every 31 days, at which time the user will be asked to enter a new password. The user cannot re-use the same password.
- The user should refrain from using his/her last name, family names (spouse, children), birthplace, birth date and things related to him/her as passwords, which will be easily guessed by intruders. A combination of characters that mixes alphabetic, numeric and special characters is the best choice for a password, as long as you can easily remember it.
- If you forgot your password, you have to resort to your System Administrator to re-assign a new temporary password.

3.3.3 How to Log On into Inbound Management System (IMS)- Vendor - Carrier - Third Party Warehouse Users

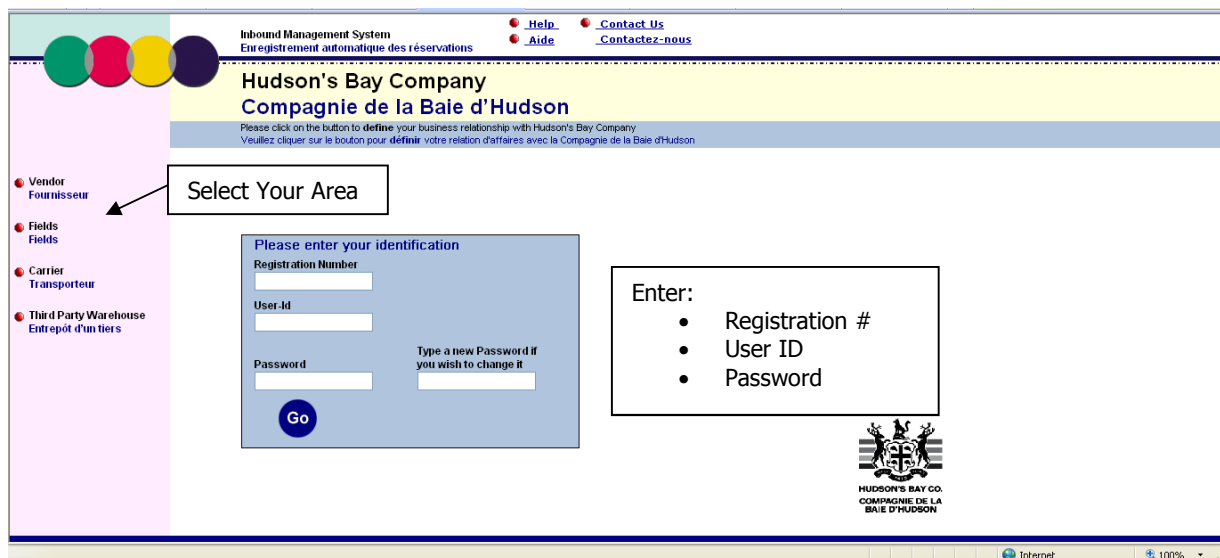
Figure 3 K: IMS Homepage and Login



To display the Login Window:

- For Vendor users, click on the Vendor Button.
- For Carrier users, click on the Carrier Button.
- For Third Party Warehouse (TPW), click on the Third Party Warehouse Button.

Figure 3 L : Screenshot showing Vendor Transportation, Carrier Transportation and Third Party Warehouse



The cursor is positioned in the Registration Number box.

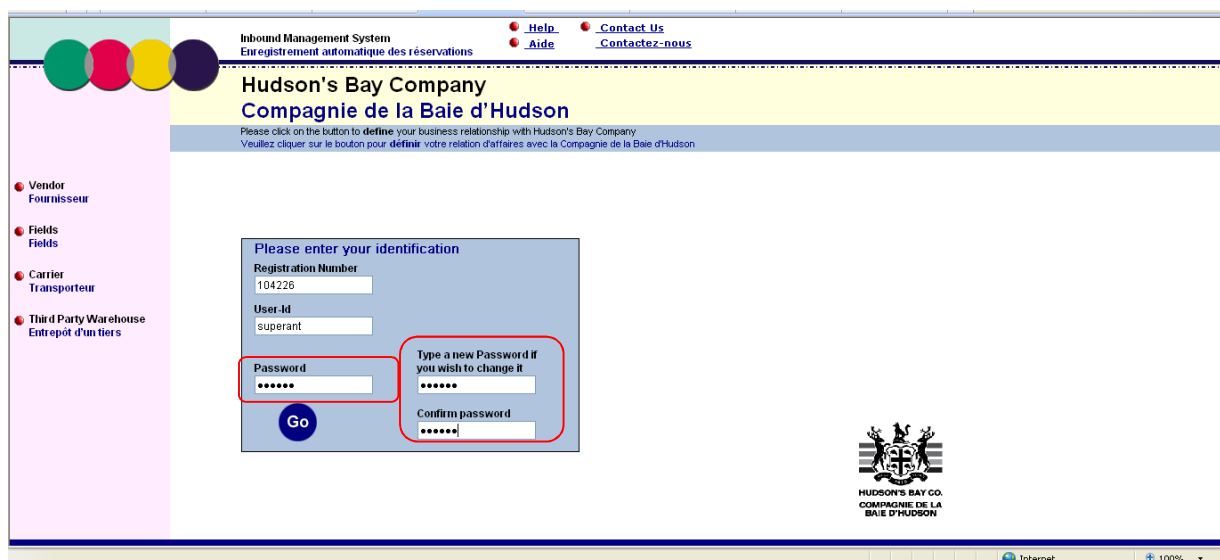
- Type your Registration Number.
- Next, move the cursor to the password box - by either pressing the tab key or by using the mouse to the User-id text box. Type your user-id. The user-id is not case sensitive; therefore it does not matter if it is typed in upper or lower-case.
- Then move the cursor to the password box - by either pressing the tab key or by using the mouse, and type your password. The password is case sensitive and not displayed (hidden under asterisks). Finally, click on the GO button.

- If the registration number, user-id and password are valid, the IMS Welcome/Menu page will be displayed.
- If the registration number, user-id or password is invalid, you will get an error message informing about the error.
- After 3 invalid attempts, the user-id will be revoked and you will have to contact your System Administrator to re-instate it. This advanced security will protect you and the system against intruders trying to guess your password.
- If you think that your password became vulnerable by having it exposed to other people, you must replace it immediately. Please see topic How to Change a Password.

If both user-id and password are valid, the IMS Welcome/Menu page will be displayed. If either user-id or password is invalid, you will get an error message informing about the error. After 3 invalid attempts, the user-id will be revoked and you will have to contact your System Administrator to re-instate it. This advanced security will protect you and the system against intruders trying to guess your password. If you think that your password became vulnerable by having it exposed to other people, you must replace it immediately. Please see topic How to Change a Password.

3.3.4 How to Change a Password

Figure 3 M : Window illustrating how to change passwords



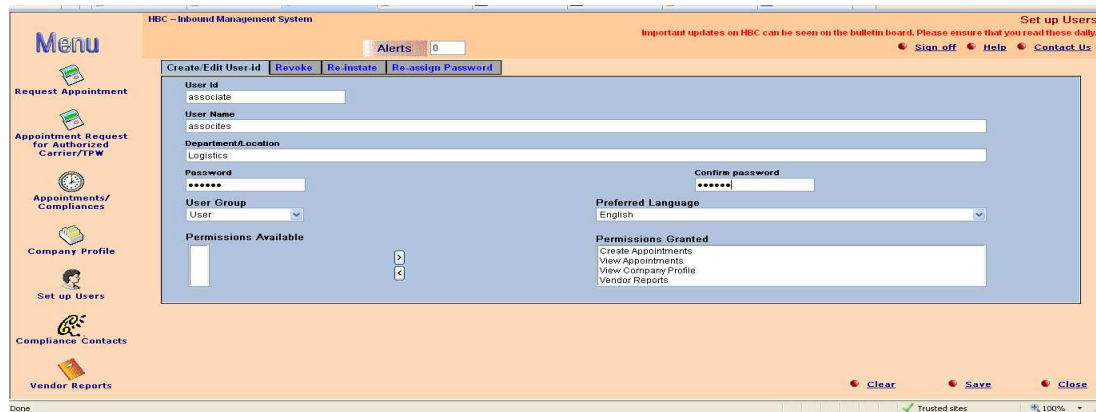
It is a good procedure to change your password if you think that it became exposed to other people. The password will also expire every 30 days, at which time the user will be asked to enter a new password.

To change a password you must be on IMS Log On page
Key in your current password in the Password field

- Tab to or click on Change Password field. Enter the new password
- Click on the GO Button
- A Confirm Password field is displayed. Cursor is positioned in this field. The confirmation of the new password makes sure that you typed it correctly. The new password and its confirmation have to be identical
- Re-key the new password. Click on GO Button
- The new password will only be accepted if all entries are valid. Appropriate error message will be displayed if any errors are made

3.3.5 Vendor Administrator Role in IMS

Figure 3 N: IMS Website



Create New/Edit User ID

- Click on the Set up Users icon
- Key in User-id – mandatory and has to be unique
- Key in User Name - mandatory
- Key in Department/Location - optional
- Key in Password and Confirm Password – case sensitive
- Select User Group from drop down box
- Select language preference from drop down box
- Assign access rights by: Double clicking on the entry in the Permission Available box OR Clicking once on the entry and then on the > box
- De-assign access rights by: Double clicking on the entry in the Permission Granted box OR Clicking once on the entry and then on the < box
- Click on Save Button
- Message appears – Record Saved Successfully

Revoke User ID

- Click on the Set up Users icon.
- Click on the Revoke tab.
- Key in User-id and click on Find Button.
- Type the word 'REVOKE' and click on Save button.
- Message appears – Record Saved Successfully.

Re-instate User ID

- Click on the Set up Users icon.
- Click on the Re-instate tab.
- Key in User-id and click on Find Button.
- Type the word 'RE-INSTATE' and click on Save button.
- Message appears – Record Saved Successfully.

Re-assign Password

- Click on the Set up Users icon.
- Click on Re-assign Password tab.
- Key in User-id and find.
- Key in Password, Confirm Password and click on Save button.
- Message appears – Record Saved Successfully.

Note: For more Appointment Scheduling information, please go to Section 9



3.4 Business Intelligence Solutions (BIS)

BIS is a web based reporting system available to vendors. BIS is the single source for vendors to do their reporting. Vendors will have access to BIS from their workplace. With access to this information, vendors will be able to suggest courses of action based on better data such as sales, returns, profitability, inventory level etc.

Get connected to HBC Business Information Solutions to provide you with online reporting of:

- Your company's performance within HBC.
- Sales information.
- Improved productivity and communication.

We believe this initiative will benefit both parties; to improve our productivity and communications.

Features of BIS:

- Ability to view individual styles/SKNs by granting you access to the following HBC BIS Reports:
- Sales by Style
- Item performance – SKU
- Item performance – Style
- Vendor Report Card
- Each report will give you the following information:
- Sales by Style
 - o Sales by style within a particular Buyer, department or class.
 - o Item Performance
 - o Sales by style or SKN
- Access to the full version of the Vendor Reference Manual

Note: To get connected to HBC's Business Information Solutions, contact your HBC buyer for more information.

4 Item Setup Requirements

4.1 Item Setup – SKN Specific

There are 5 ship methods by which vendors can ship to HBC to support our stores. Listed below are the ship methods in order of HBC's preference.

4.1.1 Pack by Store (PBS)

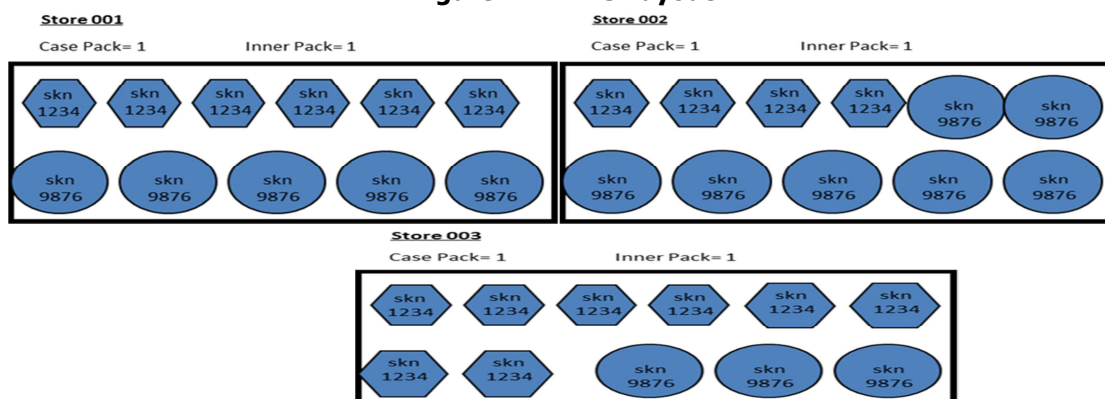
HBC's preferred ship method is Pack by Store where the vendor picks as many or as few units per item (SKN) as required by the store. There are multiple UPC's in a carton. This type of purchase order will reflect allocations based on store requirements.

This is the preferred ship method for domestic and US domestic order types.

Benefits of Pack by Store:

- Fastest processing through HBC warehouse - most efficient way of moving merchandise through the warehouse (no slowdown of product due to sorting/repacking)
- No physical handling/repacking of expensive merchandise at warehouse
- Merchandise goes on store truck same day as appointment
- Can order and allocate any quantity by store

Figure 4 A : PBS Layout



The EDI 850 Purchase Order transmission will include the UPC/VPN/SKN and total ordered quantity for that item (PO1 segment); the item setup (PO4 segment); the store location (including region) and individual quantities that are required for each store location (SDQ segment). Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

```
N1.ST..92.0596
PO1.1.25.EA...UP.698043693220.IT.69322.IN.38956793.BO.NO COLOUR.IZ.NO SIZE.
CTP..UCP.40.
CTP..RES.89.99.
PO4.1.....1.
SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.EA.92.TR5116.5.TR5118.1.CX5142.1.EY5146.9.TW5148.1.VV5153.1.VV5155.2.VV5156.2.VV5157.1.CX5
159.2.
PO1.2.29.EA...UP.698043693237.IT.69322M.IN.42983536.BO.NO COLOUR.IZ.NO SIZE.
CTP..UCP.40.
CTP..RES.89.99.
PO4.1.....1.
```



SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.EA.92.TR5116.8.TR5118.1.CX5142.1.EY5146.7.TW5148.1.VV5153.1.VV5155.2.VV5156.3.VV5157.1.CX5159.4.

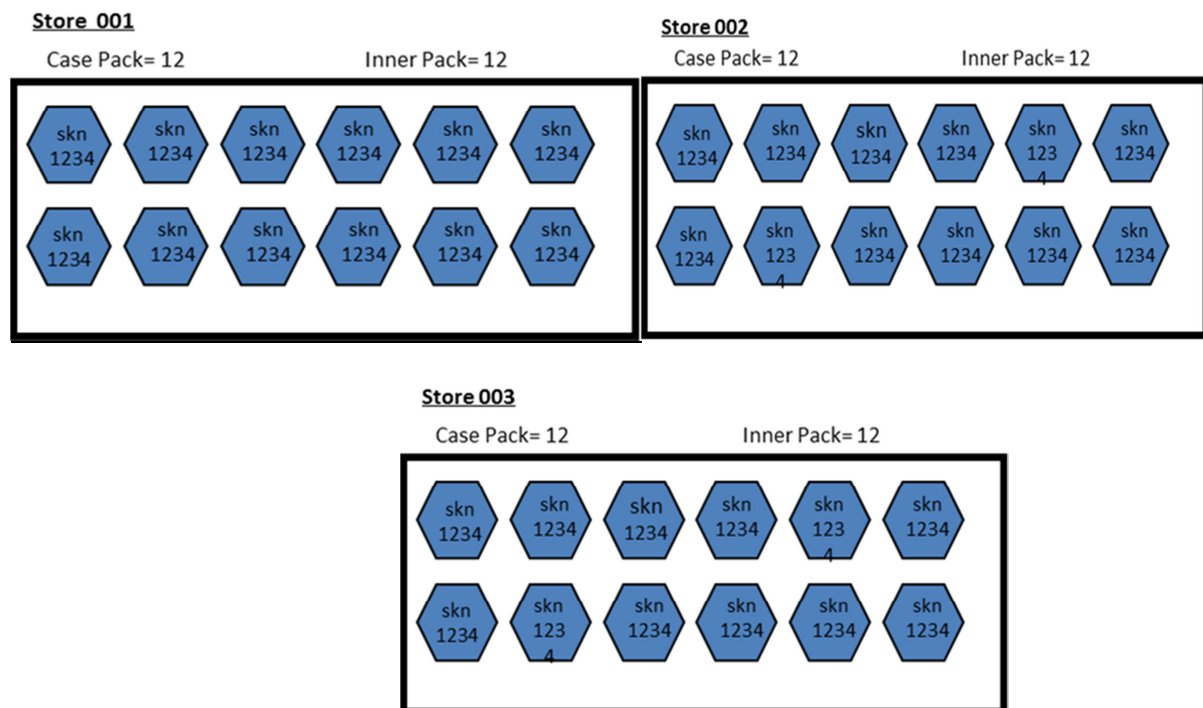
4.1.2 Full Case Pre-distributed Labeled Store

This ship method requires the vendor to pick a single SKN standard master carton with a single store label applied to the carton. There is a single UPC in a carton. Each store on the purchase order will receive a master carton or a multiple of the master carton. This type of purchase order will reflect allocations based on the vendors master carton.

Benefits of Full Case Pre-distributed Labeled Store:

- Fastest processing through HBC warehouse - most efficient way of moving merchandise through the warehouse (no slowdown of product due to sorting/repacking)
- No physical handling/repacking of expensive merchandise at warehouse
- Merchandise goes on store truck same day as appointment
- Generally used for either fast moving SKNs or initial setup orders

Figure 4 B : Full Case Pre-distributed Labeled Store Layout



The EDI 850 Purchase Order transmission will include the UPC/VPN/SKN and total ordered quantity for that item (PO1 segment); the item setup (PO4 segment); the store location (including region) and individual quantities that are required for each store location (SDQ segment). Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

N1.ST..92.0596.
PO1.1.120.EA...UP.038864288098.IT.900-489.IN.85076769.BO.NO COLOUR.IZ.NO SIZE.
CTP..UCP.1.75.
CTP..RES.3.49.



PO4.12.....12.
SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.EA.92.TR5103.12.TQ5105.12.TR5106.12.TR5111.12.TR5113.12.TR5115.12.TR5128.12.TQ5131.12.TQ5132.12.TQ515.12

4.1.3 Bulk Pre-Pack

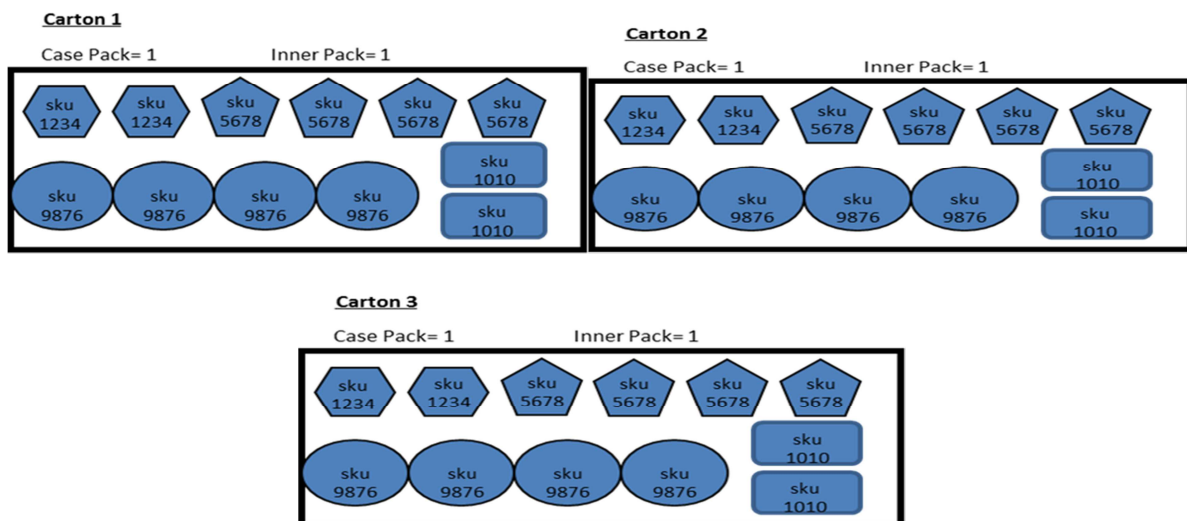
This ship method is where the vendor is sending an assortment of color and size of a specific style. There are multiple UPC's in a carton. All the cartons must have the same component breakdown in the pre-pack.

Note: For bulk pre-pack, the preferred ship type is pre-pack full case.

i. Pre-Pack Fullcase

- Set up size pre-pack by style (e.g. 2-4-4-2)
- HBC assigns a pre-pack SKN that must be transmitted on the ASN
- Each store will get 1 or more pre-packs based on allocation
- Vendor packs 1 pre-pack in 1 carton.
- HBC DC receives pre-pack and sends to store with no handling/opening of cartons.
- Bulk order that simulates Pack by Store for flow purposes
- All stores get the same allocations per style
- Pre-pack must contain the same commodity with the same price (i.e. at style level)
- Items in the case are set up as a pre-pack – all to be sent to 1 store (style level with size/color SKN combinations)

Figure 4 C : Pre-Pack Fullcase Layout



The EDI 850 Purchase Order transmission will include the PREPACK UPC/VPN/SKN and total ordered quantity for that PREPACK (PO1 segment); the PREPACK item setup (PO4 segment); the DC location (including region) and total ordered quantity for all stores on the purchase order (SDQ segment); as well as SLN segments to identify the individual items/quantities that make up the PREPACK. Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

N1.ST..92.0596.
PO1.1.115.CA...UP.704624432994.IT.80168373-I29.IN.85872983.BO.NO COLOR.IZ.NO SIZE
CTP..UCP.249.
CTP..RES.708.
PO4.1.....1.

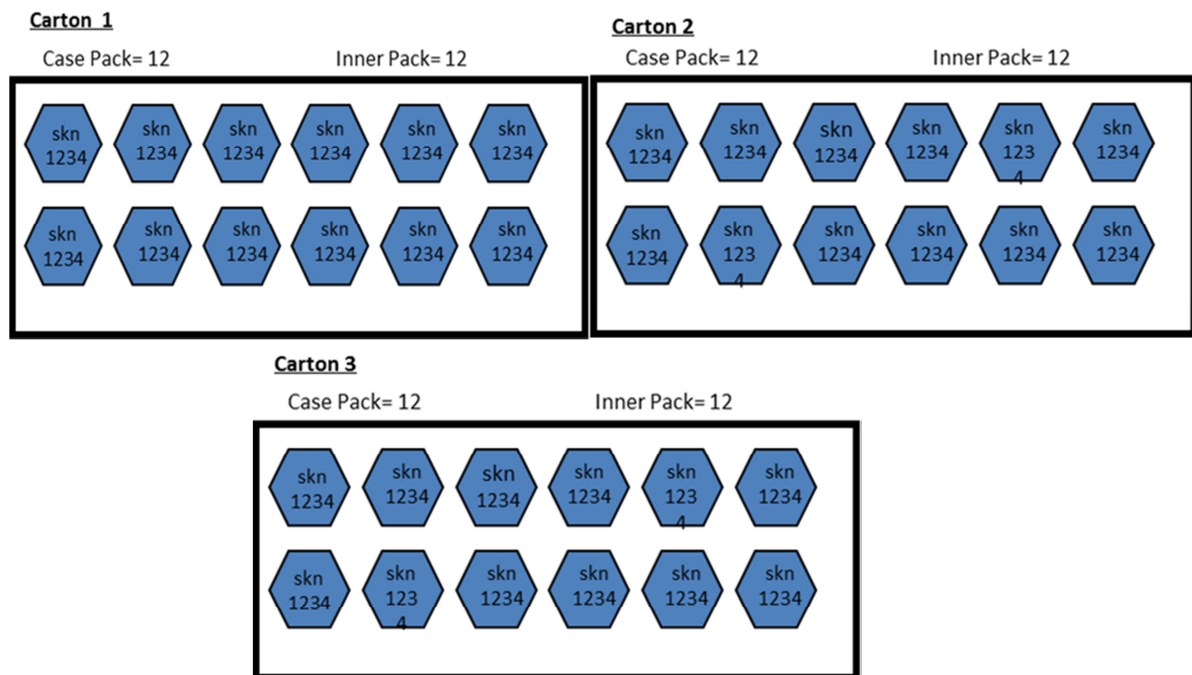


SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.CA.92.ZT0596.115.
SLN.1..I.1.EA....UP.704624315051.IT.60216267-I29.IN.85866351.BO.YELLOW.IZ.25.
CTP..RES.59.
PO4.1.
SLN.1..I.1.EA....UP.704624315068.IT.60216267-I29.IN.85866352.BO.YELLOW.IZ.26.
CTP..RES.59.
PO4.1.
SLN.1..I.2.EA....UP.704624315075.IT.60216267-I29.IN.85866353.BO.YELLOW.IZ.27.
CTP..RES.59.
PO4.2.
SLN.1..I.2.EA....UP.704624315082.IT.60216267-I29.IN.85866354.BO.YELLOW.IZ.28.
CTP..RES.59.
PO4.2.
SLN.1..I.2.EA....UP.704624315099.IT.60216267-I29.IN.85866355.BO.YELLOW.IZ.29.
CTP..RES.59.
PO4.2.
SLN.1..I.2.EA....UP.704624315105.IT.60216267-I29.IN.85866356.BO.YELLOW.IZ.30.
CTP..RES.59.
PO4.2.
SLN.1..I.1.EA....UP.704624315112.IT.60216267-I29.IN.85866357.BO.YELLOW.IZ.31.
CTP..RES.59.
PO4.1.
SLN.1..I.1.EA....UP.704624315129.IT.60216267-I29.IN.85866358.BO.YELLOW.IZ.32.
CTP..RES.59.
PO4.1.

4.1.4 Bulk – Fullcase

- 1 sku per case
- All items are destined for 1 store

Figure 4 D : Bulk Fullcase Layout



The EDI 850 Purchase Order transmission will include the UPC/VPN/SKN and total ordered quantity for that item (PO1 segment); the item setup (PO4 segment); the DC location (including region) and total ordered quantity for all stores on the purchase order (SDQ segment). Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

N1.ST..92.0596.

PO1.1.48.EA...UP.733652131999.IT.355B0202NS.IN.84050233.BO.NO COLOUR.IZ.NO SIZE

CTP..UCP.10.85.

CTP..RES.29.99.

PO4.12.....12.

SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.

SDQ.EA.92.ZT0596.48.

4.1.5 Bulk – Splitcase

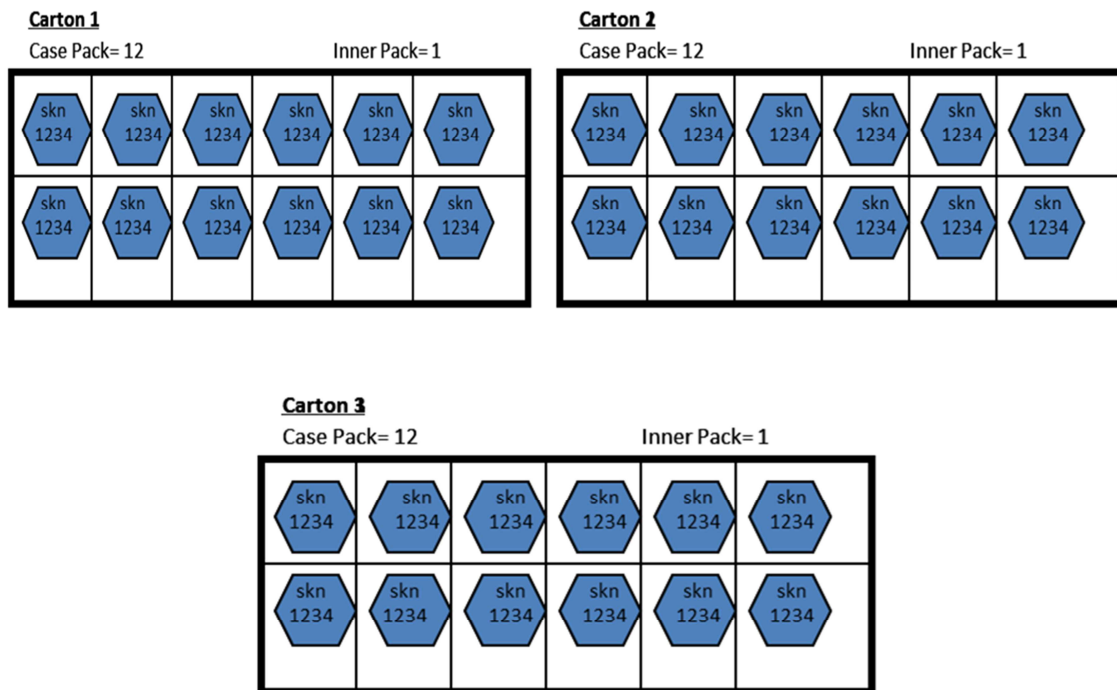
4.1.5.1 Scenario A

- Case pack quantity 12 Inner pack quantity 1
- Items in the case are to be split in eaches
- Buyer has to order in multiples of standard case pack quantity for each SKN. In this example the buyer must order in multiples of 12 but can allocate any quantity at store level.
- **Note:** SKN=colour/size – not style*
- Buyer must confirm vendor's case pack quantity (i.e. how many units they will ship in a box).
- In this example the vendor packs 12 of the SKN in a box and buyer must order in



- multiples of the case pack (12).
- Shipping bulk split case means that the vendor has to pack the same quantity in every carton for each SKN. E.g. if case pack = 12 then vendor packs 12 of the same SKN in a box.

*** Not optimal for presentation of the garments once it arrives at the store***



The EDI 850 Purchase Order transmission will include the UPC/VPN/SKN and total ordered quantity for that item (PO1 segment); the item setup (PO4 segment); the DC location (including region) and total ordered quantity for all stores on the purchase order (SDQ segment). Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

N1.ST..92.0507.
PO1.1.36.EA...UP.627242185274.IT.PN18527-4.IN.56475536.BO.NO COLOUR.IZ.NO SIZE.
CTP..UCP.13.5.
CTP..RES.39.99.
PO4.12.....1.
SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.EA.92.ZU0507.36.

4.1.5.2 Scenario B

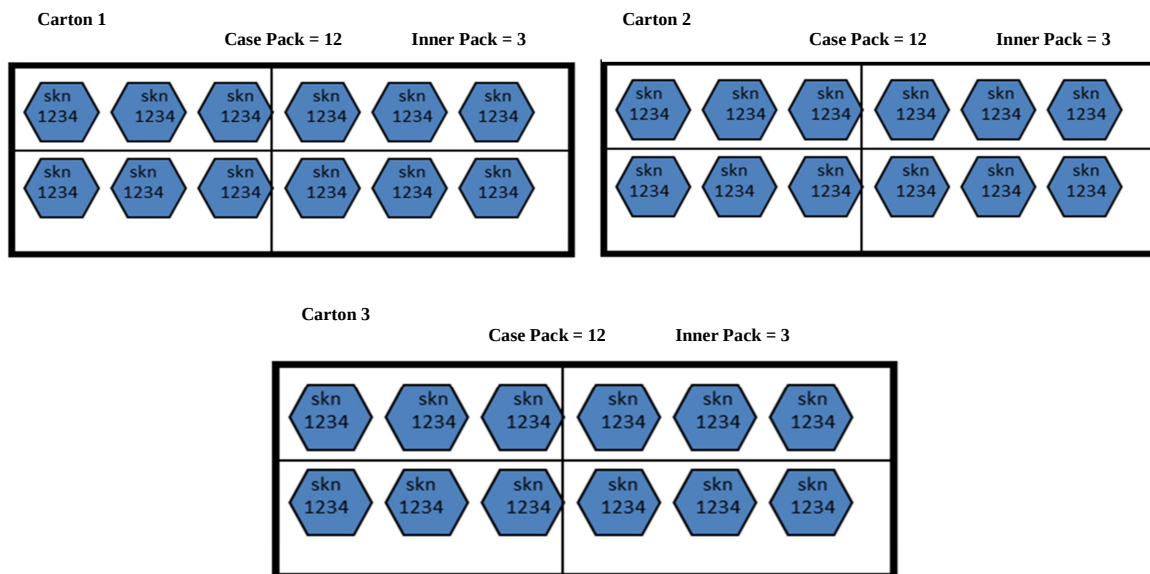
- Case pack quantity 12 Inner pack quantity 6 (or could be 2,3)
- Vendor packs 12 of the SKN in a box, buyer orders in multiples of 12 of the SKN, however allocation by store is done in multiples of 6 (or 2,3).
- Note that inner pack must divide equally into case pack.
- Less picking required @ DC.
- Buyer must confirm vendor's case pack quantity (ie how many units they will ship in a box).
- In this example the vendor packs 12 of the SKN in a box and buyer must order in



multiples of the case pack (12). The inner quantity must be individually packed within the master carton.

- Shipping bulk split case means that the vendor has to pack the same quantity in every carton for each SKN. E.g. if case pack = 12 then vendor packs 12 of the same SKN in a box.

**** Not optimal for presentation of the garments once it arrives at the store ****



The EDI 850 Purchase Order transmission will include the UPC/VPN/SKN and total ordered quantity for that item (PO1 segment); the item setup (PO4 segment); the DC location (including region) and total ordered quantity for all stores on the purchase order (SDQ segment). Below is an example of the "ITEM FILE" within an EDI 850 transmission illustrating this scenario.

N1.ST..92.0596.
PO1.1.108.EA...UP.066288021922.IT.T011.IN.84967103.BO.NO COLOUR.IZ.NO SIZE.
CTP..UCP.4.4.
CTP..RES.8.99.
PO4.12.....6.
SAC.N..VI.TC091102.....VENDOR-UPC/PRIC.
SDQ.EA.92.ZT0596.108.

4.2 Item Creation - R2008 Process

R2008 is a standardized Excel-based template designed to collect item and initial purchase order information from our vendor partners. It consists of five different worksheets:

- Vendor Data Collection (VDC) - This worksheet records all attributes required to create an Item.
- Pack Data Collection (PDC) - This worksheet records data required for creating Pack Items.
- Order Data Collection (ODC) - This worksheet records data required for initial Purchase Order Quantities.
- Allocation Data Collection - This worksheet records data required for initial Store Allocations
- Intent to Purchase - This worksheet is for use by the HBC Buyer

The form is available on the HBC EDI website (<http://HBCediextranet.HBC.com>) on the "Forms & Instructions" tab, along with instructions on its use.



4.3 GXS Catalogue

HBC values your partnership and remains committed to finding ways to improve the flow of information that is required for joint supply chain efficiencies. Part of this improvement is to enhance the accuracy of item data in our system through the utilization of a catalogue operated by our provider GXS and OpenText Active Catalogue. As a result, we will be requiring all of our trading partners to join the catalogue. The catalogue initially requires only product and UPC information, but we will be implementing a requirement for additional product attributes as well.

Please review the summary document below that lists all the additional attributes that Active Catalogue will provide. Not all of these attributes will apply to your merchandise. Upon review and if applicable, please begin to utilize your Active Catalogue account by uploading new product data into it. HBC merchants will continue to work with you on the required GXS attributes as it pertains to their specific business segment.

For more information on the Active Catalogue, please contact GXS:

For Active Catalogue Support: cataloguesupport@gxs.com or +1 877-446-6847, Option 2, Option *, Option 4, Option 1
For Active Catalogue Sales: alexp@opentext.com or +1.301.340.4983 (Refer to the Hudson's Bay Stores Program)

GXS Active Catalogue - HBC Required Attributes

The column GXS Active Catalogue Attribute Name contains the label names for the required attributes within the GXS Active Catalogue. The GXS Bulk Template Label Name detail the required label names when using the excel upload template.

HBC Attribute Name	GXS Active Catalogue Attribute Name	GXS Bulk Template Label Name	Attribute Description
VPN	Product	PRODUCT	Vendor Product Number. This is an alphanumeric number with some limitations for the use of special characters. Product identifiers are stored and exported in upper case, even if you load the product in lower or mixed case.
Short Description	Product Description	HIERARCHY.PRODUCT_DESCRIPTION	A short and basic item description that is used at POS on customer receipts, on gift registries and on BIS reports.
Fashion Style Description	GTIN Extended Description	ITEM.LONG_DESCRIPTION	A longer and more detailed item description. This description provides additional product detail and may spell out abbreviations used in the short description.
Long Description	GTIN Extended Description	ITEM.LONG_DESCRIPTION	A longer and more detailed item description. This description provides additional product detail and may spell out abbreviations used in the short description.
Color	NRF Color Code Color Description	ITEM.NRF_COLOR_CODE ITEM.COLOR_DESCRIPTION	National Retail Federation color code or "000" (no color applicable); requires ITEM.COLOR_DESCRIPTION Compliance Check - Restrictions may be applied by the following compliance check.
Size	NRF Size Code Size Description	ITEM.NRF_SIZE_CODE ITEM.SIZE_DESCRIPTION	National Retail Federation size code.
UPC	GTIN	ITEM_NUMBER	UPC or EAN of the item.
Cost	Unit Cost	ITEM.UNIT_COST	Unit cost of the item.



Item Setup Requirements

HBC Attribute Name	GXS Active Catalogue Attribute Name	GXS Bulk Template Label Name	Attribute Description
Retail	Manufacturer's Suggested Retail Price	MANUFACTURER'S SUGGESTED RETAIL PRICE	Manufacturer suggested retail price. The MSRP will populate to the retail and the User can edit if required.
Case Pack	Master Pack/Case Qty	ITEM.MASTER_PACK_QTY	Total number of units within the case. The quantity of the case pack must be a multiple of the inner pack.
Case Length	Master Pack/Case Length	ITEM.MASTER_PACK_LENGTH	Longest horizontal dimension of master carton in upright position.
Case Width	Master Pack/Case Width	ITEM.MASTER_PACK_WIDTH	Shortest horizontal dimension of master carton in upright position.
Case Height	Master Pack/Case Height	ITEM.MASTER_PACK_HEIGHT	Vertical dimension of master pack in upright position.
Case Weight	Master Pack/Case Gross Weight	ITEM.MASTER_PACK_WEIGHT	Gross weight of master pack.
Inner Pack	Inner Pack Qty	ITEM.INNER_PACK_QTY	Total numbers of units within each inner pack.
Inner Length	Inner Pack Length	ITEM.INNER_PACK_LENGTH	Longest horizontal measurement of inner pack, upright position.
Inner Width	Inner Pack Width	ITEM.INNER_PACK_WIDTH	Shortest horizontal dimension of inner pack, upright position.
Inner Height	Inner Pack Height	ITEM.INNER_PACK_HEIGHT	Vertical dimension of inner pack in upright position.
Inner Weight	Inner Pack Gross Weight	ITEM.INNER_PACK_WEIGHT	Gross weight per inner pack.
Item Length	Consumer Package Length	ITEM.CONSUMER_PACKAGE_LENGTH	Longest horizontal measurement of the package in the upright position.
Item Width	Consumer Package Width	ITEM.CONSUMER_PACKAGE_WIDTH	Shortest horizontal measurement of the package in the upright position.
Item Height	Consumer Package Height	ITEM.CONSUMER_PACKAGE_HEIGHT	Vertical dimension of package measured in upright position.
Item Weight	Consumer Package Gross Weight	ITEM.CONSUMER_PACKAGE_WEIGHT	Gross weight of consumer package.

Please be advised that the Inner Pack attributes are only required if you trade with Inner Packs.



5 Electronic Data Interchange (EDI) Requirements

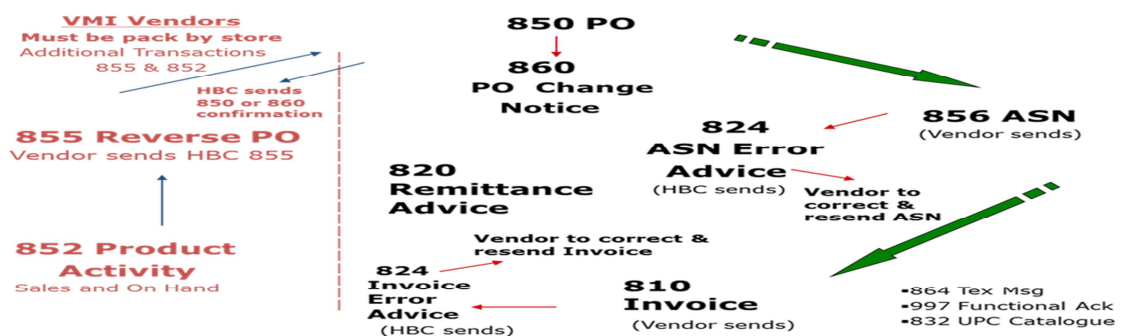
All EDI documents traded by the Hudson's Bay Company conform to the Retail Industry (VICS) subset of the ASC.X12 EDI standards for business documents. The Hudson's Bay Company uses Sterling Collaboration Network to facilitate EDI trades

5.1 EDI Transactions

For detailed EDI mapping specifications please refer to our EDI website under the tab 'EDI Detail'.

FROM HBC (to the Vendor)	FROM THE VENDOR (to HBC)
850 Purchase Order Transaction (mandatory) Communicated quantities ordered by UPC - Communicates terms and conditions for the PO - Cost/retail prices	856 ASN (Ship Notice/Manifest) Transaction (mandatory) - Identifies quantities shipped by UPC - Communicates shipping information (i.e. BOL, etc.)
860 Purchase Order Change Transaction (mandatory) Communicates PO changes made by the retailer	810 Invoice Transaction (mandatory) Identifies the quantities being invoiced by unit and price to reflect what was shipped on the ASN by PO
824 Application Error Advice Transaction (mandatory) Communicates errors within an ASN or Invoice transmission	997 Functional Acknowledgement Transaction (mandatory) For all documents received
852 Product Activity Transaction (optional) Communicates sales and/or on hand inventory by SKU by Store (Note - see appendix for start-up instructions)	855 Reverse Purchase Order Transaction (optional) Communicates recommended order quantities by UPC
820 Remittance Advice Notice Transaction (mandatory) Communicates details of payment	
864 Text Message Transaction (mandatory) For general communications targeted to all vendors, an EDI 864 text message is sent notifying there is a new alert that has been posted on the HBC EDI Website	

Figure 5 A : Process Map of a PO using EDI





5.1.1 Technical Requirements

Production Settings (updated May 5, 2011):

Production	Sender ID	Qualifier
HBC (Zellers, New Bay and Home Outfitters Vendors)	202377222	01
HBC ASN (Zellers, New Bay and Home Outfitters Vendors)	202377222ASN	01
HBC Major Home Fashions/Furniture	200091189HOM	01
HBC Major Home ASN	200091189HOMA	01

5.1.2 EDI 856 –Advanced Ship Notice Checklist

5.1.2.1 General

The Key transaction for moving product through our Distribution Centres is the ASN.

5.1.2.2 ASN Checklist

An ASN checklist has been developed to assist vendors in the ASN creation process. Utilizing this Checklist should prevent shipment delays because of incorrect ASN transmissions. This list illustrates the most common errors received today. Please reference this list to ensure standard steps are taken prior to sending your ASNs.

5.1.2.3 ASN's received with errors

If an ASN received into our system is rejected due to errors, an 824 transaction will be sent to the vendor's mailbox an hour after the 856 was received and rejected. If an ASN has an error the shipment must not be sent until the errors have been corrected, and a revised ASN sent where necessary.

Note: The HBC's Distribution Centre's Receiving Department cannot receive a shipment without a valid ASN. All shipments sent without a valid ASN will be refused by the DC and non-compliance charges will be levied.

It is imperative that All ASN issues be resolved before the truck arrives at the DC. ASNs must be transmitted at least 48 hours prior to the merchandise

Delivery appointment: this allows time for any required error resolution.

If you have any questions regarding the ASN process, please contact our EDI Department



STEP	ACTION	CHECKED
MAILBOX TRANSMISSION ASN	♦ Vendor must send to ASN Production Mailbox (different from test or Purchase Order Mailbox)	
SHIP TO LOCATION	♦ Check the N104 segment to determine the ship to location.	
UPC NOT ON PO FILE	♦ Ensure a clean-up of all UPC's held at your facility for HBC product corresponds to the HBC cross reference report.	
SPLIT CASE SHIP QTY = TO RE-ORDER QTY	♦ Ensure that the re-order/Inner pack on purchase matches the ASN transmission. Note: look for 860 (change on P. Order prior to sending ASN)	
BILL OF LADING	♦ Bill of Lading/Master Bill of Lading must be the same on the Website appointment booking as what the vendor is transmitting (i.e. appt booking reads 1046, transmission reads 1046 - a match. If one or the other read 104600, then the ASN would not load to the appointment that was booked). ♦ When using the Bill of Lading on ASN, the number can only be used once and must be unique at all times. Exception: Numbers can be used more than once only if re-sending an ASN that has not loaded due to errors on the first ASN sent.	
LABELLING BULK	♦ Bulk shipments must have a UCC 128 label per carton (reference the label specifications on the EDI Website http://HBCediextranet.HBC.com)	
ASN TRANSMISSION	♦ A valid 856 ASN Transmission must be sent prior to arrival of shipment (48 hours in advance)	
UCC128 LABEL VERIFICATION	♦ Ensure label has been approved, prior to becoming a full ASN vendor.	
REVIEW RECEIVER ID	♦ Review receiver ID, prior to sending ASN's : ISA & GS i.e., all ASN transactions using the Receiver ID: 202377222ASN An EDI interchange I.D qualifier of 01 is required.	
REVIEW PURCHASE ORDER	♦ Review as per factory and ship pack quantities, correct UPC's and create ASN to reflect original P.O. (including any 860's received)	
STORE CODES/PURCHASE ORDERS	♦ Ensure all store codes reflect what is being sent in the original P.O. i.e., all store codes are with 2 ALPHA + 4 Numbers = <u>ZZ0813</u>	
Number of ASN's	♦ One ASN per trailer	

STEP	ACTION	CHECKED
REF SEGMENT	♦ Two occurrences of this segment may be used. The 1st. occurrence is mandatory and is used to convey the Bill of Lading number. When Master Bill of Lading exists a second REF segment must be sent to convey this information. ♦ Master Bill of Lading is mandatory if multiple ASN's and Bill of Ladings are being used on a single truck. ♦ There can only be one Master Bill per truck ♦ One ASN cannot reference more than one truck or Bill of Lading ♦ If required to resubmit ASN due to errors, use the same Bill of Lading number ♦ ASN to be sent as soon as the trailer is closed or 48 hours to shipping whichever is greater	
FUNCTIONAL ACKNOWLEDGEMENT	Ensure a 997 has been received back for each 856 transmitted. Note: this only confirms the ASN made it into HBC's Translator NOT that it was processed.	



STEP	ACTION	CHECKED
– 997		

5.1.3 Bulk Vendors

STEP	ACTION	CHECKED
TARE LEVEL	♦ Any vendor receiving an N1 04 and SDQ 03 segment with the same location in their Purchase Orders 850 will be considered a Bulk Vendor which means they must ship the products to the warehouse and the product will distributed by HBC. ♦ Pallet UCC 128 approved label required: example: Zone G must be used to indicate the Human readable D.C. code received in the N1.ST segment of the 850 ♦ Carton UCC 128 approved label required: example: Zone G must be used to indicate the Human readable D.C. code received in the N1.ST segment of the 850. HBC requires the Vendor Style or UPC and HBC SKU in Box E of the carton label. ♦ 1 UPC per Pack: more than one UPC can be on a tare but each pack on the tare must have one UPC. ♦ 1 Purchase Order per tare, no multiple Purchase Order is allowed ♦ UCC 128 tare Label required (001) the MAN segment packaging type code is "1" ♦ Pack - One UCC 128 (00) 0 label per pack - One UPC per pack - One store per pack - One PO per pack ♦ Tare - Multi UPC per tare but one UPC per pack on tare - One store per tare - One PO per tare ♦ Segments to be used as per mapping	
HL SEGMENT (TARE/PALLET LEVEL)	To identify the beginning of the Tare (i.e. Pallet) level of the Shipment Notice – 3 rd HL should indicate "T" not "P"	
MAN SEGMENT	♦ Must be unique number: If used more than once ASN will error out. ♦ This segment is used to provide specific marks and numbers for shipping containers at the Tare level. Example: HL TARE LEVEL + MAN SEGMNET / HL ITEM LEVEL +LIN SEGMENT (UPC) / SN1= Quantity: refer to mapping for correct setup	
HL SEGMENT (PACK/CARTON LEVEL)	♦ Must use Pack Level – "P" ♦ To identify the beginning of the Pack level of the Shipment Notice	
MAN SEGMENT	♦ Must be unique number: If used more than once ASN will error out. ♦ Each carton is to be labelled with the DC coding in the Alpha numeric field in Box G. ♦ This segment is used to provide specific marks and numbers for shipping containers at the level. Example: HL PACK LEVEL + MAN SEGMNET / HL ITEM LEVEL + LIN SEGMENT (UPC) / S Quantity: refer to mapping for correct setup	



5.1.4 Cross Docks Vendors

STEP	ACTION	CHECKED
PACK LEVEL	◆ Vendors receiving SDQ's with store ID's on their Purchase Orders must ship products using UCC 128 approved label using the 91 Barcode on Zone F and in Zone G using the Human readable ALPHA NUMERIC store code: ex: <u>XX0813</u>	
REF SEGMENT	◆ Two occurrences of this segment may be used. The 1st. occurrence is mandatory and is used to convey the Bill of Lading number. When Master Bill of Lading exists a second REF segment must be sent to convey this information. ◆ Master Bill of Lading is mandatory if multiple ASN's and Bill of Ladings are being used on a single truck. ◆ There can only be one Master Bill of Lading per truck ◆ One ASN cannot reference more than one truck or Bill of Lading	
HL SEGMENT (PACK)	◆ Must use Pack Level – "P" ◆ To identify the beginning of the Pack level of the Shipment Notice	
MAN SEGMENT	◆ Must be unique number: If used more than once ASN will error out. ◆ Each carton is to be labeled with the store coding in the Alpha numeric box G. ◆ This segment is used to provide specific marks and numbers for shipping containers at the Pack level. Example: HL PACK LEVEL + MAN SEGMNET / HL ITEM LEVEL +LIN SEGMENT (UPC) / SN1= Quantity: refer to mapping for correct setup	
UPC'S ERRORS ON ASN'S	◆ HBC identifies product items at the UPC level. ◆ Updates to existing UPC #'s and UPC #'s for new products must be provided to HBC in a timely manner ◆ The shipment ID number should not begin with an "A", "C", "D" or "Z" as they have special meanings in our accounts payable dept. ◆ Contacting your buyers at HBC to correct incorrect information on Purchase Orders transmitted will ensure that there are no delays in receiving shipments at the warehouse.	

5.1.5 EDI 860 – Purchase Order Change Checklist

STEP	ACTION	CHECKED
860	◆ Ensure that all 860's you received are applied to the Purchase Order. All changes should be transmitted on the ASN. This will ensure your ASN will not be delayed due to corrections overlooked and not transmitted on the ASN. ◆ Remember your ASN must reflect the Purchase Order that has been sent to your company ◆ This includes the 850 -Purchase Order and the 860 – Purchase Order Change.	
REPORTING ERRORS ON A DAILY BASIS	◆ ASN Associates are available to assist Vendors 7:30 AM through 4:00 PM - Monday to Friday with their 824 ASN Error Advice. The 824's are sent out within 2 hours of the ASN reporting an error.	
APPOINTMENT SCHEDULING	◆ Please contact the Appointment Office for information on what is required for your ASN's to be received at the Warehouse without any problems or Delays ◆ Contact : Tel 570-821-6440	
QUESTIONS REGARDING ASN'S- 856	◆ Question regarding any of the topics covered in this Checklist, please contact EDI Dept. EDI CONTACT LIST on the HBC EDI Website: http://HBCediextranet.HBC.com	

For UCC128 shipping label requirements please refer to Section 8 Shipping Requirements.



6 Purchase Orders

Every purchase order is transmitted on an EDI 850 transaction with a ship window. This window designates the available timeframe that an order can arrive at an HBC distribution center.

A ship window contains two dates.

- Ship Date/Not Before Date
First available date that an appointment will be granted for delivery
- Cancel Date/Not After Date
Last available date that an order can arrive in our distribution center and still is considered on time. An appointment cannot be scheduled at an HBC DC after this date without a PO extension (subject to non-compliance for Late Shipping associated to an extension requirement).

Note: HBC pick up vendors must account for required transit time in advance of the cancel date/not after date, allowing HBC to schedule the appointment at an HBC DC within the designated ship window.

6.1 Purchase Order Validation

It is the vendor's responsibility to check the PO once received to verify accuracy. Apparent discrepancies must be reported to HBC merchant immediately in order to implement the change. Vendor is not to ship in contravention of the PO terms, unless modified by the business and received an EDI 860 PO Change Notification confirming the revision has interfaced.

Below are some examples for potential change requests:

- Ship window dates
- SKN/UPC/VPN
- Ship pack/factory pack
- Cost/Retail price
- Unit quantities
- Ship method

6.2 Purchase Order Change Requests

To request a change to a purchase order, vendors are required to complete a Purchase Order Change Form (POCN). Within the POCN form, there are 2 tabs; one for Import and one for Domestic/US. Once completed, please email the form to the buyer for approval.

The form is available on the HBC EDI website (<http://HBCediextranet.HBC.com>) in the "Forms & Instructions" tab.

Form #1 - Requests for changes to the following fields:

- Not Before Date (Ship Date)
- Not After Date (Cancel Date)
- Quantity Change
- Cost Change
- Case Pack Change

Form #2 - Requests for changes to the following fields:

- Inner Pack Change
- DC Change
- VPN
- UPC
- Item Description

The Purchase Order Change Notification (POCN) Form is available on the HBC EDI website (<http://HBCediextranet.HBC.com>) on the "Forms & Instructions" tab.

**Note:** Auto Replenishment Automatic (ARAU) Policy

SKN's on Auto Replenishment program relate to basic merchandise that must be in stock at all times in all stores.

- Vendors are expected to maintain an adequate inventory of HBC listed items to supply our basic merchandise.
- Vendors must maintain a minimum of 6-8 weeks of supply on hand in order to fill ARAU orders
- Purchase orders should not be allowed to accumulate until filled 100%. This will create an out of stock position for items ordered that were held back.

6.3 Purchase Order Types

HBC transmits various PO types based on the needs of the business. Below is a brief description:

Auto Replenishment Automatic (ARAU)

- A system generated purchase order based on store selling demand.
- ARAU orders are typically issued on a weekly basis

Auto Replenishment Manual (ARMN)

- SKN's on automatic replenishment ordered manually by the merchants
- Used for boost orders to fill gaps in AR merchandise

Customer Special Order (CUST)

- Manual order driven by customer purchase at store
- Examples: Bridal Registry, China department

General (GNRL)

- Manual order from the merchants
- Examples: one time buys, seasonal merchandise, Non-AR items, new launches

New Store (NSO)

- Manual order placed by merchants specifically for new store opening

Promotion (PROM)

- Manual order for promotional/advertised merchandise

Vendor 855 (V855)

- Reverse purchase order for merchandise not on auto replenishment
- Vendor sends EDI 855 transaction providing PO details for EDI 850 creation

Vendor Managed – Auto (VMAU)

- Reverse purchase order for merchandise on auto replenishment
- Vendor sends EDI 855 transaction providing PO details for EDI 850 creation

Vendor Managed – Manual (VMMN)

- Reverse purchase order for merchandise on auto replenishment. Used as a boost order to fill gaps in AR merchandise
- Vendor sends EDI 855 transaction providing PO details for EDI 850 creation

Direct To Store

- Not a normal HBC process
- If requesting a direct to store shipment, vendor must be capable of sending a direct to store ASN

Note: ARAU orders cannot be transmitted in advance of ship date (not before date). All other order types can be transmitted in advance of ship date.



7 Floor Ready Requirements

7.1 Universal Product Code (UPC) Guidelines Ticketing Requirements

7.1.1 UPC General Guidelines

As Canada's leading Retailer, HBC will continue to review the latest technology used by the Universal Product Code (UPC), Electronic Data Interchange (EDI), Voluntary Industry Commerce Standards (VICS), and Uniform Code Council (UCC) standards.

HBC believes that by applying these guidelines, we can accelerate the movement of the merchandise to the selling floor, manage inventories more efficiently, increase sales, and improve customer service. This in turn allows us to continue to build a more successful and mutually beneficial collaboration with our vendors.

7.1.2 UPC or EAN Ticketing

(Uniform Code Council of Canada). On submitting your application and one-time fee, the GS1 will assign your company a unique six-digit manufacturer's number. To obtain further details please visit the GS1 website

<http://www.gs1ca.org/home.asp>

After your company is positioned with a successful UPC partnership with HBC, you may begin trading EDI documents with HBC.

Following are some general guidelines from Global Standards and Systems.

What is a UPC?

Universal Product Code - a 12 digit unique identifier.

There are three parts that make up your 12- digit UPC code.

- a) Your UCC Company Prefix (number provided by the Uniform Code Council)
- b) Your Item Reference (number you assign to identify your individual products)
- c) Check digit (validates the accuracy of the number)

What is a European Article Number (EAN) ?

EAN is equivalent to a UPC number. An EAN is a 13 digit unique identifier used by European companies that sell to international retailers.

The Standard

Standardization of product identification codes is the key to successful communication between and within companies. The Global Standards and Systems (GS1) and European International Article Numbering (EAN) system enables any specific product or shipping container to be given a standard number, which identifies it unambiguously anywhere in the world.

What is the Global Trade Item Number (GTIN)?

Global Trade Item Number is the foundation for the EAN/UCC System for uniquely identifying trade items (products and services) sold, delivered, warehoused and billed through the retail and commercial distribution channels. It provides an accurate, efficient and economical means of controlling the flow of products and information through the use of an all-numeric identification system.

The Global Trade Item Number (GTIN) is the globally unique EAN/UCC System identification number for trade items, which encompasses both products and services. A GTIN is a numeric data structure containing 8 digits, 12 digits, 13 digits or 14 digits. It is recommended that GTINs are represented in software applications as 14— digits by right justifying and zero filling left, as appropriate.

Ticketing Requirements



All merchandise shipped to a division of Hudson's Bay Company must mark all merchandise with UPC (UPC-A format) or EAN ticket. Create your UPC or EANs based on UCC specifications. Do not ticket with both UPC and EAN; use one or the other. Each item must contain only one UPC or EAN bar code.

Retail Ticketing for Bay & Home Outfitters

Merchandise for the Bay and Home Outfitters requires our retail price on the UPC or EAN ticket. The ticket retail price must match the retail price on the purchase order.

Bay merchandise must be ticketed with a UPC bar code and retail price and must be affixed to each item on the purchase order (as required).

7.2 Ticket Format - Tags & Labels

Note: All tickets must contain the following information:

- Bilingual
- Machine Readable Bar Code
- Human Readable UPC Number
- Retail Price in Canadian currency ***EXCEPT FOOTWEAR MERCHANDISE** (retail price on the ticket must match the retail price on the purchase order)
- Footwear is to be ticketed directly on the shoebox without the retail price, actual footwear should not be ticketed, other standards apply
- Size and Style (Fashion Merchandise)
- HBC department
- Season Code (S/S is February-July, F/W is August-January)
- MINIMUM TAG SIZE
 - L 2 1/2" x W 1 1/4"
- MINIMUM LABEL SIZE
 - L 1 3/8" x W 1/4"



Figure 7 A: The Bay Ticket Formats

ZONE 1	Company Name or Brand Name	COMPANY NAME/BRAND STYLE/STYLE COLOR/COULEUR *283650LT RED/ROUGE DEPT/RAYON SEASON/SAISON 414 S15   SIZE/TAILLE S/P Price/Prix \$125.00
ZONE 2	Vendor Information (Style, Color)	
ZONE 3	Merchandise Identification Hbc Department #, Season Code)	
ZONE 4	UPC Bar Code & Human Readable Numbers	
ZONE 5	RFID EPC seal (must be at least .25" x 1" on ALL tickets)	
ZONE 6	Size	
ZONE 7	Retail Price (must be perforated)	

NOTE: MINIMUM TAG SIZE

* L 2 1/2" x W 1 1/4"
MINIMUM LABEL SIZE
 L 1 3/8" x W 1/4"

7.3 Ticket Location Guidelines

WOMEN'S WEAR

<u>COMMODITY</u>	<u>TICKET LOCATION</u>
Hanging Sleepwear and Sweaters	Label At Neck
Packaged Sleepwear/ Package Underfashions	Top Right Corner
Hanging Slips, Skirts, Pants	Outer Seam On Left Side Of Waistband
Hanging T-shirts	Manufacturer's Label
Dresses, Blouses, Shirts, Sleepwear, Robes	Left Sleeve At Wrist In Seam
Outerwear	Left Sleeve At Wrist In Seam
Boxed/Packaged Slippers, Boots, Shoes	Top Right Corner, no retail price on ticket
Coats, Jackets, Blazers, Dresses, Hanging Blouses or Shirts, Hanging Gowns and Loungewear, Robes, Swimsuit Covers, Sleepwear	Left Sleeve At Wrist Seam
Sweaters, Knitwear	Label At Neck
T-shirts, Sweat Shirts	Left Sleeve Inside Seam
Skirts, Pants, Shorts, Underfashions	Outer Seam On Left Side Of Waistband
Swimwear, Scarves, Hats, Umbrellas	Manufacturer's Label
Pantyhose, Knee Highs, Packaged Bras, Panties, Packaged Blouse or Pyjamas	Top Right Corner
Leotards, Socks	Band
Belts	On buckle With Secur-A-Tach
Handbags	On handbag strap With Secur-A-Tach
Gloves, Mitts	At Cuff With Tag Sewn Or Secur-A-Tach
Watches, Clocks, Boxed Gloves	Top Right Corner

**MEN'S WEAR**

<u>COMMODITY</u>	<u>TICKET LOCATION</u>
Outerwear, Suits, Blazers, Sport Coats	Left Sleeve At Wrist In Seam
Sweaters, Knitwear, Hanging Shirts	Label At Neck
Packaged Shirts, Underfashions, Packaged Pyjamas	Top Right Corner
Suspenders	End Hook With Secur-A-Tach
Hats, Scarves, Umbrellas	Manufacturer's Label
Gloves, Mitts	At Cuff Tag Sewn In Or Secur-A-Tach
Gloves Boxed	Top Right Corner
Swimwear, Pants, Jeans, Shorts	Outer Seam Left Side Of Waistband
Socks	Band
Ties	Narrow End With Secur-A-Tach
Belts	On buckle With Secur-A-Tach
Robes, Loungewear	Left Sleeve At Wrist In Seam
Boxed Slippers, Shoes, Boots	Top Right Corner, no retail price on ticket



7.4 RFID IMPLEMENTATION GUIDE

7.4.1 Our Company Strategy

HBC has been piloting Electronic Product Code (EPC) / Radio Frequency Identification (RFID) technology over the past two years. Following our successful initial program, we will adopt EPC/RFID at all HBC banners by the third quarter of 2015 in most merchandise categories.

RFID is a proven, game-changing technology with numerous uses and benefits that provides greater visibility into our in-store inventory at any given moment. A common application of the technology is for monitoring inventory levels on the selling floor to ensure that the full array of inventory is represented at all times. At HBC, we will not only use the technology for this purpose, but also to enhance the Omni-channel experience we offer our customers, so they have even greater access to the inventory in our stores, whether they are shopping in-store or online.

To ensure a seamless transition, HBC will execute the rollout in stages. Below are the implementation dates by category:

- **August 2014** - Private Label (Women's)
- **February 2015** - Denim, Dress Shirts, Men's Basics, Intimate Apparel, Private Label (Men's)
- **August 2015** - Men's and Women's Apparel, Children's, Accessories, Shoes, Handbags, Home & Gift

At this time, we are continuing to assess the feasibility of implementing RFID technology to areas such as Jewelry, Cosmetics, Fragrances, and Home and Gifts. We will communicate any additional details about these areas at a later date. As always, we appreciate your support and look forward to working together to enhance our ability to better serve our customers.

We are committed to educating vendors about the new technology and facilitating its implementation. This section is intended to outline the specifications for integrated or non-integrated (companion) tags and placement standards by category. HBC is committed to supporting GS1 US RFID and EPC standards.

For more information, please visit http://www.gs1us.org/epcglobal_us/epc.

If you have specific questions, please refer to the Contact List and direct them to the appropriate person or email MIO at partners.lordandtaylor.com.

7.4.2 Inlay Specifications

HBC **Ultra High Frequency (UHF) Gen 2 V2** tags and labels encoded with GS1 SGTIN-96.

Each tag contains an inlay encoded with an **Electronic Product Code (EPC) serialized number** stored in a tag to uniquely identify a particular product. The EPC is a combination of a company's GS1 Prefix, Item Reference and a unique serial number for each product called a Serialized Global Trade Item Number (SGTIN). The EPC can be assigned by an approved outsource. For approved EPC tag outsources, see Approved Outsources section.

7.4.3 Inlay Categories

The following chart outlines inlay categories defined by the University of Arkansas for merchandise expected to be EPC tagged for August 2014. Vendors must use approved inlays published by the University of Arkansas. The current published Approved Inlay Lists by product category is located at <http://rfid.uark.edu/2060.asp>.



PRODUCT	CATEGORY
Sweaters, Dress Shirts	A
Men's Underwear	B, C or D
Denim	A
Bras, Lingerie, Panties, Slips	B, C or D
Gloves	A
Blouses, Dresses, Skirts, Robes, Polo, Tees, Sports Shirts, Jackets, Outerwear, Suits	A or D
Swimwear	TBD
Socks, Panty Hose, Tights	TBD
Ties, Handkerchief, Capes, Shawls, Hats, Scarves, Belts	TBD
Shoes, Handbags, Small leather goods	TBD
Jewelry, Watches, Sunglasses, Optical	TBD
Home & Gift – Barware, Glassware, Fine China, Pillows, Bedding	TBD
Beauty and Fragrance	TBD

NOTE: Be sure to select the appropriate inlay based on your merchandise presentation. For example, merchandise expected to ship with hanger inserted, use approved inlays from Category D.

An updated chart will be published for additional product categories once further testing is completed to identify acceptable RFID tags and tagging practices for those products.

For questions and concerns, please contact Vendor Relations at partners.lordandtaylor.com.

7.4.4 Formats

HBC has partnered with several outsources to ensure tags meet inlay specifications defined by GS1 / University of Arkansas. For approved EPC tag outsources, see Approved Outsources section.

NOTE: All EPC tags must be sent to Vendor Relations for approval. For questions and/or concerns, please email partners.lordandtaylor.com

7.4.5 Placements

Be sure to follow Ticket Placement Guidelines located in the Vendor Standards Manual. For non-integrated / companion tags, affix near or onto the UPC hangtag or sticker.

For Hudson's Bay Company

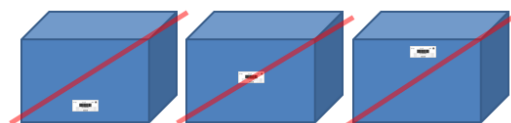
The manual can be accessed at <http://hbcediextranet.hbc.com/> under Vendor Manual

For all questions and concerns, please email all questions to partners.lordandtaylor.com

Special Considerations for affixing an EPC Tag:

There are important considerations when affixing an EPC tag:

- For boxed, banded, or packaged merchandise, the EPC tag *must not be centered* on the packaging. This increased the risk of items not being picked up during scans. If an item were to be placed back in the drawer backwards, the centered EPCs would touch and cancel each other out, making them both momentarily unreadable to the scanner.





- Tags should not be placed where hanger clips would go.
- To vendors who supply fixtures: metal tables, risers and cubes impede the readability of an RFID tag. Please consider alternate materials.

7.4.6 Integrated Tag

HBC prefers an **integrated** EPC-UPC hangtag or sticker where the inlay is imbedded between tag layers with the EPC seal visible on the human readable side. This tag will meet both EPC and UPC requirements.

Figure 7 B: Hudson's Bay Ticket Formats

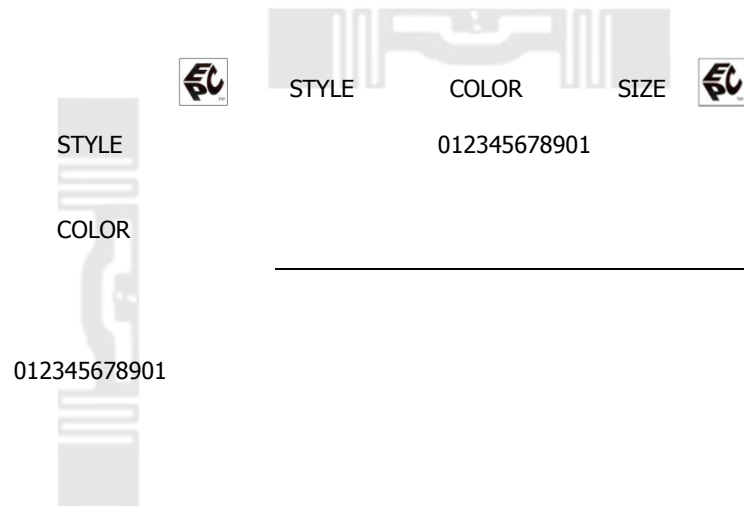
ZONE 1	Company Name or Brand Name	COMPANY NAME/BRAND
ZONE 2	Vendor Information (Style, Color)	STYLE/STYLE COLOR/COULEUR *283650LT RED/ROUGE DEPT/RAYON SEASON/SAISON 414 S15
ZONE 3	Merchandise Identification Hbc Department #, Season Code)	 0 1234567890 5
ZONE 4	UPC Bar Code & Human Readable Numbers	
ZONE 5	RFID EPC seal (must be at least .25" x 1" on ALL tickets)	SIZE/TAILLE S/P
ZONE 6	Size	Price/Prix \$125.00
ZONE 7	Retail Price (must be perforated)	

7.4.7 Non-Integrated Tag

A **non-integrated**, also known as a **companion tag**, is a separate EPC hangtag or sticker to be affixed close to or on the UPC ticket. The non-integrated must include human readable UPC, style, color and size.

Non-integrated / companion tags should be affixed near or onto the UPC hangtag or sticker. For UPC ticket format and placement, please see Ticket Placement Guide in the Vendor Standards Manual.

Figure 7 C: Hudson's Bay Non-Integrated Ticket Formats



**7.4.8 APPROVED OUTSOURCES****Special pricing has been negotiated with the vendors below for HBC Vendors**

SML		USA		INC.
5	Penn	Plaza,	15th	Floor
New York, NY 10001				
Contact: Michael Kearin				
P:		212-736-8800	Ext.	384
E-mail: michaelkearins@sml.com				
Website: www.sml.group				

TAGSYS Europe	TAGSYS US
785 Voie Antiope	1501 Broadway
Z.I. Athelia III	12th Floor, Suite 12067
13600 La Ciotat	New York, NY 10036
France.	
P: 267-882-4801	
E-mail: hbccompliance@tagsysrfid.com	
Website: www.tagsysrfid.com/	

Instructions on How to Register for Tagsys Website:

1. Go to www.tagsysrfid.com
2. Click on Systems & Solutions Tab
3. Click on Luxury & Apparel Retail
4. Scroll down to RFID Retail Compliance Program
5. Click on Meet Compliance Requirements
6. Click on Register

Approved Industry Providers

AVERY DENNISON
 2100 Summit Avenue
 Greensboro, NC 27405
 P: 336-808-7116
 F: 336-621-1232
 Website: www.averydennison.com
 For National Brand Inquires:
 Tyler Chaffo
 Mobile: 412-302-4547
 Email: tyler.chaffo@averydennison.com

R-PAC INTERNATIONAL CORP			
132	West	36 th	Street
New	York,	NY	10018
P:			212-465-1818
P – Technical: 978-725-5919 (Paul Arguin)			
P	–	Sales:	949-305-7128
Email:			(Aaron Glatman)
Website: www.r-pac.com			HBCRFID@r-pac.com

FINE LINE TECHNOLOGIES
 P.O. Box 921933
 Norcross, GA 30010
 P: 800-500-8687
 F: 678-969-9201
 E-mail: support@finelinetech.com
 Website: www.finelinetech.com

**7.4.9 RFID HBC COMPANY CONTACTS**

MERCHANDISE INFORMATION OFFICE 424 FIFTH AVENUE, 4 TH FLOOR LWR ANNEX NEW YORK, NY 10081 LTpartners@lordandtaylor.com		
HBC * Home Outfitters * Lord & Taylor Andrea Smith	Sr. Manager	Ph. 212-382-6326 E-mail: andrea_smith@lordandtaylor.com
Patricia Graham	Manager	Ph. 212-391-5378 E-mail: patricia_graham@lordandtaylor.com
Verna Barr	Sr. Analyst	Ph. 905-792-6314 E-mail: verna.barr@hbc.com
Robyn Cioffari	Analyst	Ph. 212-391 3512 E-mail: robyn_cioffari@lordandtaylor.com
Riva Mogilevsky	Lead Associate	Ph. 212-382-7309 E-mail: riva_mogilevsky@lordandtaylor.com
Anne Boodhoo	Associate	Ph. 905-792-4663 E-mail: anne.boodhoo@hbc.com

7.4.10 APPENDIX

7.4.10.1 RFID TERMINOLOGY

EPC

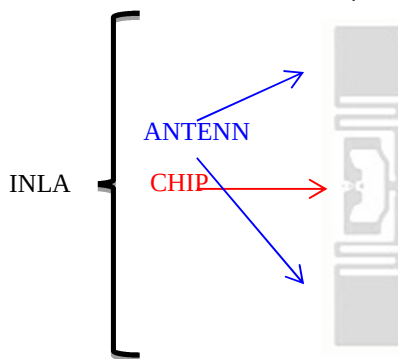
Electronic Product Code

GTIN

Global Trade Identification Number (UPC, EAN)

INLAY

Combination of antenna and chip



INTEGRATED TAG

Tag imbedded with RFID inlay (EPC) and UPC barcode

NON-INTEGRATED (COMPANION) TAG

Tag imbedded with RFID inlay (EPC) only

RFID

Radio Frequency Identification

SGTIN

Serialized Global Trade Identification Number



7.5 The HBC Hanger Program

The HBC Hanger Program is aligned with **VICS** industry standards (Voluntary Inter-industry Commerce Solutions). Our goal is to facilitate a consistent look on all HBC sales floors, to ensure fast flow of merchandise to store floors, and to improve efficiency for both HBC and our vendors.

Program

http://www.vics.org/docs/guidelines/Guidelines_FRM/FRM_Guidelines_3_0_Hanger_Application_Feb_10_2011.pdf

1. All hangers used in HBC stores will be of the prescribed type and colour as per the current VICS Hanger Policy listing. Based on a recent amendment as of February 10, 2011, VICS standard hanger for department store is black.
2. All merchandise to be displayed as hanging on our selling floor must be shipped with the appropriate VICS hanger **inserted into the garment**. Stores do not have the facility to accommodate hanging or re-hanging of merchandise.
3. Failure to ship the appropriate VICS hanger (when required) may result in compliance charges.
4. The HBC Hanger Program applies to both Domestic and Import purchases
5. Certain specified vendors may ship their merchandise to HBC on their own "branded" hangers. These must be agreed to **in advance** by the HBC buyer, and approved by the office of the MVP, V.P. In Store Marketing, SVP Stores and SVP Logistics.

Additional Details on Store Presentation

All fashion garments will have a designated **presentation type** of either Hanging or Flat fold for the HBC sales floor. Vendors must agree on appropriate presentation type with their HBC buyer.

- **Hanging** – Garments are on hangers and are presented in store on display racks
- **Flat fold** – Garments are folded and displayed in store on shelves or tables

Additional Shipping Details

1. All merchandise identified as **hanging presentation type** must be shipped with the appropriate VICS hanger **inserted into the garment**.
 - This applies to both merchandise that actually ships hanging, as well as merchandise that will be presented hanging in the store, but is shipped flat packed (i.e. hangers must be inserted to the garments prior to flat packing)
 - Any merchandise that ships hanging (e.g. Suits) must be shipped in non-returnable hanging cartons (corrugate cartons with a rod to hang garments). HBC DC's only have the ability to receive merchandise shipped in cartons and will not receive merchandise shipped in poly bags only.
 - Men's Suits require sizer donuts attached to the hanger
2. All merchandise identified as **flat fold presentation type** should be shipped flat packed in cartons.
3. For merchandise that is displayed as *both hanging and flat fold (e.g. 80% hung, 20% folded)*, **ALL** merchandise must be shipped with the appropriate hanger inserted into the garment. Stores will not have hangers on hand to insert into any garments.

Manufacturer List

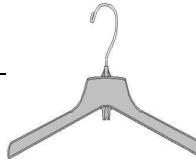
Hangers for use in HBC stores may be purchased from the following manufacturers:

ERA 2500 Guenette, St-Laurent, Quebec, Canada H4R 2H2 Contact Name: Fernando J.P. Bouchard Director of Sales/International Hanger Division, ERA Group Tel: (514)335-0550 CAN/USA 877-372-9273 ext.:270 Fax: (514)335-0571 CAN/USA 866-937-2329	GOH International Ltd. 11 Broadway, Suite 700, New York, NY 10004 Tel: (1)888-484-6212 Fax: (1) 646-405-0191 Email: LauraMorrissey@goh-intl.com Attn: Laura Morrissey 732-299-6606 or sales@goh-intl.com
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Figure 7 D : New VICS Hangar Codes

Description	Old BAY ERA style No.	Old Zellers ERA style No.	NEW VICS Hanger Codes				Hanger Colour	Use	Hanger Application	Image
			Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description				
Collection Design										
Wishbone for Ladies	ERA42W B	N/A	ERA42W B (ERA code)	Wishbone - 16.5" (foam and band optional)	3945	Jacket - U section 15" - pant bar w/clips optional	black	Ladies Reg 4-18, Small 4-18	Coats, suits, overcoats, heavy jackets, two-piece suits	
Wishbone for Men	ERA46W B	N/A	ERA46W B (ERA code)	Wishbone - 17.5" (foam and band optional)	3937	Jacket - U section 17" - pant bar w/clips optional	black	Men Reg 28-42, Tall 28-42	Coats, suits, overcoats, heavy jackets, two-piece suits	
Wishbone for Men	ERA49W B	N/A	ERA49W B	Wishbone - 19" (foam and band optional)	3969	Jacket - U section 19" - pant bar w/clips optional	black	Big Men Reg 44-54, Tall 44-54, Short 44-54	Coats, suits, overcoats, heavy jackets, two-piece suits	
Tops for Ladies / Kids	554 / EB212-B / EB 216-B / EB216-BG	EZ212-B / EZ216-B / EZ216-BG	585	Top - Knit - Non-slip, 15"	N/A		black	Ladies Juniors 3-15 Ladies 6-18 Girls 7-16 Boys 4-6x	Knit sweaters, Girls sweaters, Boys sweaters, lightweight robes	
Tops for Ladies	554	N/A	584	Top - Knit - Non-slip, 17"	585	Top - Knit - Non-slip, 15"	black	Ladies 6-18 Ladies XS - XL	Knit sweaters	
Tops for Kids	EB216-B	EZ216-B	584	Top - Knit - Non-slip, 17"	N/A		black	Boys 7-18	Boys sweaters, lightweight robes	
Tops for Men	555 / EB218-BG	EZ218-BG	579	Top - Knit - Non-slip, 19"	584	Top - Knit - Non-slip, 17"	black	Mens 28-42 Mens XS - XL	Knit Sweaters	

Tops, Dresses and Sleepwear										
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Tops Hanger	EB111-N	EZ111-N	496	Top 12"	495	Top 10"	white	Infants 0-24 months	Infant knit tops, woven shirts, dresses, full slips, sleepwear, creepers and overalls, swimwear	
Tops Hanger	EB111-B	EZ111-B	498	Top 12"	497	Top 10"	black	Boys 2-3x Girls 2-3x	Boys knit tops, woven shirts, sleepwear, swimwear Girls knit tops, woven shirts, dresses, full slips, sleepwear, one piece swimwear	
Tops Hanger	EB114-B	EZ114-B	498	Top 12"	N/A		black	Girls 4-6x	Girls knit tops, woven shirts, dresses, full slips, sleepwear, one piece swimwear	
Tops Hanger	EB114-B	EZ114-B	485	Top 15"	N/A		black	Boys 4-6x	Boys knit tops, woven shirts, sleepwear, swimwear	
Tops Hanger	EB116-B	EZ116-B	485	Top 15"	N/A		black	Boys 7-18 Girls 7-16	Boys knit tops, woven shirts, sleepwear, swimwear Girls knit tops, woven shirts, dresses, full slips, sleepwear, one piece swimwear	
Tops Hanger	EB116-B	EZ116-B	484	Top 17"	485	Top 15"	black	Ladies Juniors 3-15 Ladies Missy 6-18	Knits, t-shirts, lightweight woven fleece tops, hanging shirts tops, dresses, full slips, sleepwear, swimwear	
Tops Hanger	EB116-B	EZ116-B	N/A		484 + FP62	Top 17" with Foam Cover FP-62	black	Ladies Juniors 3-15 Ladies Missy 6-18	Fine Silk, full slips, sleepwear & Other light weight garment	
Tops Hanger	EB118-B	EZ118-B	479	Top 19"	484	Top 17"	black	Women Plus 36-54 Men 28-42, Big Men 44-54	Tops, dresses, sleepwear shirts, fleece shirts, jogging sets, pyjamas	

Outerwear (Coats, Jackets, Sweaters, Robes)										
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Outerwear	EB212-N	EZ212-N	496	Top 12"	N/A		white	Infants 0-24 months	Infants' outerwear, sweaters, robes, fleece	
Outerwear	EB212-B	EZ212-B	498	Top 12"	N/A		black	Boys 2-3x Girls 2-3x Girls 4-6x	Boys' outerwear, sweaters, robes, fleece Girls' outerwear, sweaters, robes, fleece	
Outerwear	EB212-B EB216-B	EZ212-B EZ216-B	485	Top 15"	N/A		black	Boys 4-6x Girls 7-16	Boys lightweight fleece Girls' lightweight fleece	
Outerwear	EB216-B	EZ216-B	484	Top 17"	N/A		black	Boys 7-18	Boys lightweight fleece	
Outerwear	EB216-B	EZ216-B	3315	Outerwear - Flat 15" - 3.75" hook	3316	Outerwear - Flat 15" - 5.25" hook	black	Boys 4-6x Girls 4-6x Girls 7-16	Boys' outerwear, heavyweight robes, heavyweight fleece Girls' outerwear, heavyweight robes, heavyweight fleece	
Outerwear	EB216-B	EZ216-B	3328	Outerwear - Flat 17" - 3.75" hook	3329	Outerwear - Flat 17" - 5.25" hook	black	Boys 7-18	Boys outerwear, heavyweight robes, heavyweight fleece	
Outerwear	EB218-B	EZ218-B	3328	Outerwear - Flat 17" - 3.75" hook	3329	Outerwear - Flat 17" - 5.25" hook	black	Women Plus 36-54 Ladies Missy 6-18 Ladies plus Juniors 3-15	Ladies outerwear, sweaters, robes Big mens outerwear, sweaters Ladies plus outerwear, sweaters	
Outerwear	195	N/A	3319	Outerwear - Flat 19" - 3.75" hook	3320	Outerwear - Flat 19" - 5.25" hook	black	Men, Big Men Mens Leather Coats	Mens outerwear, blazers, sports coats, coats, robes, sweaters Leather jackets or coats	

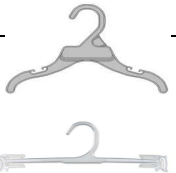
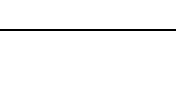
Bottoms (Pinch Grip)

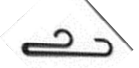
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Bottom	EB6108- N	EZ6108- N	6108	Pinch Bottom 8"	N/A		white	Infants 0-24 months	Infants pants, shorts, skirts, sleepwear, swimwear	
Bottom	EB6108- B	EZ6108- B	6008	Pinch Bottom 8"	6208	Soft Pinch Bottom 8"	black	Boys 2-6x Girls 2-6x	Boys pants, shorts, sleepwear, swimwear Girls pants, shorts, skirts, sleepwear	
Bottom	EB6110- B	EZ6110- B	6010	Pinch Bottom 10"	6210	Soft Pinch Bottom 10"	black	Boys 7-18 Girls 7-16	Boys pants, shorts, sleepwear, swimwear Girls pants, shorts, skirts, sleepwear	
Bottom	EB6112- B	EZ6112- B	6012	Pinch Bottom 12"	6212	Soft Pinch Bottom 12"	black	Ladies Missy 6-18 Ladies Juniors 3-15 Women 20-33 Men 28-42	Pants, shorts, skirts, denims, cords, boxer shorts, swimwear	
Bottom	EB6114- B	EZ6114- B	6014	Pinch Bottom 14"	6214	Soft Pinch Bottom 14"	black	Women Plus 36-54 Big Men 44-54	Ladies oversize pants, shorts, skirts Pants, shorts, denims, cords, boxer shorts, swimwear	

Coordinate for Sets (Pinch Grip)										
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Coordinate	EB9408- N	EZ9408- N	9408	Pinch Bottom Coordinate 8"x4" drop	N/A		white	Infants 0-24 months	Infants coordinate pants, shorts, skirts, sleepwear, swimwear	
Coordinate	EB9408- B	EZ9408- B	6008	Pinch Bottom 8"	N/A		black	Boys 2-6x Girls 2-6x	Boys coordinate pants, shorts, sleepwear, swimwear Girls coordinate pants, shorts, skirts, sleepwear	
Coordinate	EB9410- B	EZ9410- B	6010	Pinch Bottom 10"	N/A		black	Boys 7-18 Girls 7-16	Boys coordinate pants, shorts, sleepwear, swimwear Girls coordinate pants, shorts, skirts, sleepwear	
Coordinate	EB9412- B	EZ9412- B	6012	Pinch Bottom 12"	N/A		black	Ladies Missy 6-18 Ladies Juniors 3-15 Women 20-33 Men 28-42	Pants, shorts, skirts, denims, cords, boxer shorts, swimwear	
Coordinate	EB9414- B	EZ9414- B	6014	Pinch Bottom 14"	N/A		black	Women Plus 36-54 Big Men 44-54	Ladies oversize pants, shorts, skirts Pants, shorts, denims, cords, boxer shorts, swimwear	



Floor Ready Requirements

Other										
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Preemie	EB572-N	EZ572-N	495	Top 10"	N/A		white	Preemie (0-12 mths)	Preemie knit tops, woven shirts, dresses, full slips, sleepwear, creepers and overalls, swimwear	
Lingerie	EB1500-B	EZ1500-B	GS19	Intimate - Top 10"	N/A		clear	Infants, Swimwear, Ladies Lingerie	Intimate Apparel, bras, underwear, panties	
Swimwear - kids			8210	swimwear - Top 10" w / pinch grip	N/A		black	Girls 2-16	Girls coordinate swimwear	
Lingerie	EB1501-B	EZ1501-B	8210	Intimate / swimwear - Top 10" w / pinch grip	N/A		clear	Ladies Plus Lingerie	Intimate Apparel, bras, underwear, panties, sleepwear	
Swimwear		EZ8212-B	8212	Intimate / swimwear - Top 12" w/pinch grip	N/A		black	Ladies swimwear	Adult two-piece sets	
Swimwear	EB8212-B		8212	Intimate / swimwear - Top 12" w/pinch grip	N/A		black	Ladies swimwear	Adult two-piece sets	
Swimwear	EB8212-B	EZ8212-B	8214	Intimate / swimwear - Top 14" w / pinch grip	N/A		black	Ladies Swimwear - Plus	Adult two-piece sets	

Accessories										
Description	Old BAY ERA style No.	Old Zellers ERA style No.	Primary Hanger Code	Primary Hanger Code description	Alternative Hanger Code	Alternative Hanger Code description	Hanger Colour	Use	Hanger Application	Image
Accessories			JH-2	2" J-Hooks	N/A		Black			
Accessories			SSH-8	Shoe Hanger	N/A		Black			
Accessories			SH-6	4.25" Sock Hook	N/A		Black			
Accessories			112	2.5" Scarf Ring	N/A		Black			
Accessories			118	4.25" Scarf Ring	N/A		Black			
Accessories				7" Scarf Hook	N/A		Black			
Accessories			69-S-020	2.5" Connector	N/A		Clear			
Accessories			FP-62	Foam Covers	N/A		Grey			
Accessories				PVC Band	N/A		Natural	For Suit hangers		
Accessories				Foam for pant Bar	N/A		Grey	For Suit hangers		
Accessories				Sizers	N/A		White	For hangers with plastic hooks		
Accessories				Sizers	N/A		White	For suit hangers only		



8 Carton Packing Requirements

Packing requirements refers to the physical preparation and cartonization of merchandise. It is imperative to pack your shipment according to your designated ship method (**packed or labeled by store**).

HBC material handling systems require the Vendor to adhere exactly to the packing instructions in this section. Failure to comply with carton weight, size, banding, or corrugation requirements can result in damaged merchandise and you will be held responsible for any consequent monetary losses.

Packaging must conform to our DC conveyable carton specifications:

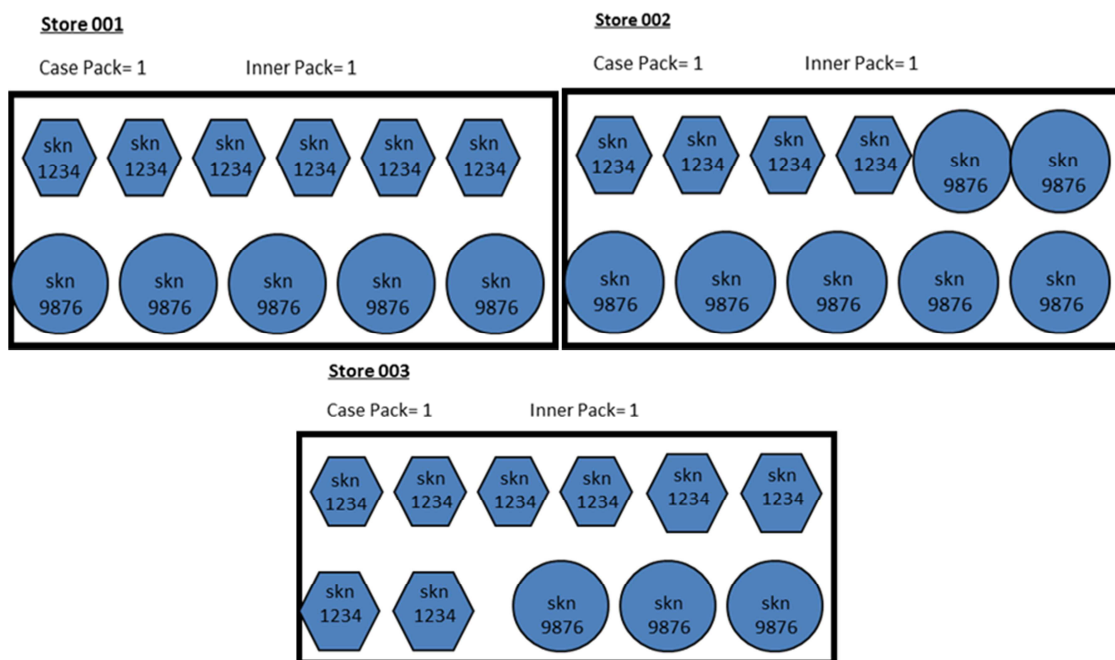
- All products must be shipped in boxes. We do not accept shipments in envelopes.
- Master carton minimum size: 9" x 6" x 3", Min weight = 3 lbs.
- Master carton maximum size: 36" x 24" x 30", Max weight = 60 lbs.
- Metal or fiber banding or strapping of any kind cannot be used on the HBC conveyor system and therefore slows down the flow of merchandise.
- All cartons should be designed and manufactured to comply with the requirements applicable to the corresponding freight classification and ensure the burst test certificate/indicator is stamped on the exterior of the carton.
- All cartons containing glass, plastic or clay merchandise must have dividers to protect merchandise from breakage and crushing (bottles must be capped).
- All fragile merchandise must be identified with protective markings.
- All liquids should be marked "This Side Up*" by Vendor and shipped accordingly
- Merchandise affected by freezing should signify "PROTECT FROM FREEZING" on the carton.
- Packing of Hazardous material is covered in *transportation*
- All cartons must be sealed with reinforced or plastic tape.
- When practical, glued cartons will be acceptable.
- Do not over pack cartons. Cartons must be able to lie perfectly flat on all sides, without any bulges in middle or on any seam.
- Do not use jute or soft packaging on master packs.
- Shipping Product on Hangers:
 - o Hanging garments must be shipped in cartons.
 - o Merchandise must be shipped on a VICs approved hanger as requested on the purchase order.
 - o The garments should be secured to the hanger so they do not fall off.
 - o Merchandise must be ticketed with price tickets, hangtags and neck labels as per the HBC guidelines.

8.1 How to Pack a 'By Store' Shipment – Preferred Shipping Method

A 'by store' shipment is to be packed at the store level.

- Cartons may contain a fullcase of a single SKN/UPC or be packed with multiple items for a single location.
- Each ship to location may get a unique distribution.
- Each carton must have a unique UCC128 label which identifies the contents of the carton and the ship to location.
- Merchandise not packaged as per the HBC purchase order provided may result in the shipment being refused or returned to the vendor to be corrected. Appropriate compliance charges may be applied

Figure 8 A : By Store Shipment Layout

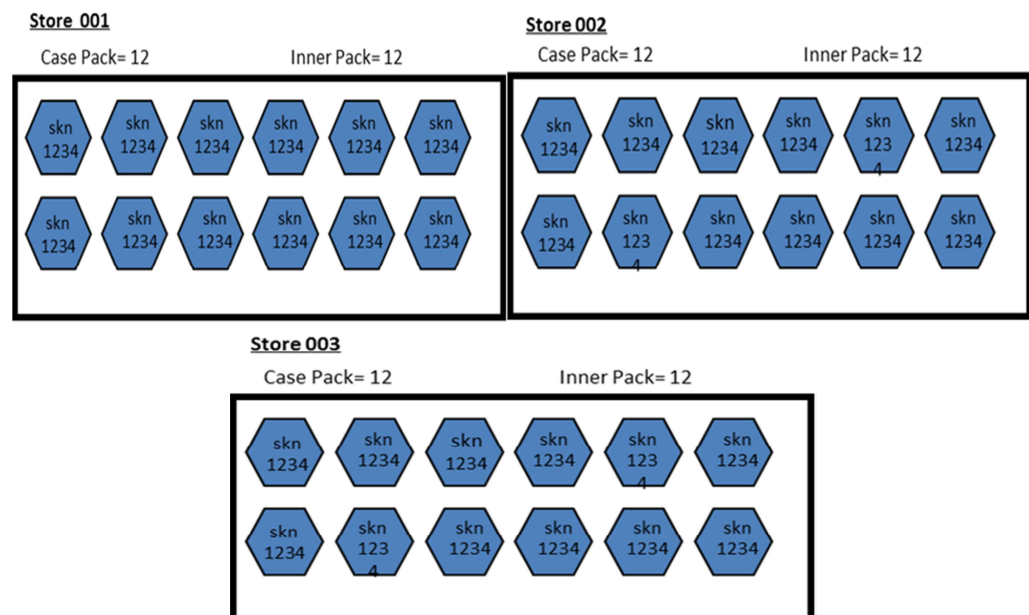


8.2 How to Pack a Bulk 'By SKN/UPC' Shipment

A 'by bulk' shipment is to be packed at the SKN/UPC level.

- Each carton must contain only 1 PO.
- Each carton must contain only one SKN/UPC.
- Each carton must have a unique UCC128 label which identifies the contents of the carton and the designated distribution center location. (please refer to the EDI section for details)
- Packing quantities of each SKN/UPC must have a consistent case pack/inner pack and case size. Do not mix carton sizes for same SKN/UPC.
- Merchandise not packaged as per the HBC purchase order provided may result in the shipment being refused or returned to the vendor to be corrected. Appropriate compliance charges may be applied.

Figure 8 B: Bulk By SKN/UPC Shipment Layout





8.3 How to Pack a Bulk 'By SKN/UPC' Shipment

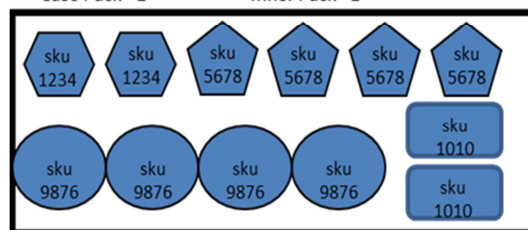
A by bulk 'prepack' shipment has a defined consistent multiple SKN/UPC within the carton.

- Each carton must contain only 1 PO.
- Each carton must have a unique UCC128 label which identifies the contents of the carton and the designated distribution centre location. (please refer to the EDI section for details)
- Packing quantities of each prepack SKN/UPC must have a consistent case pack/inner pack and case size.
- Merchandise not packaged as per the HBC purchase order provided may result in the shipment being refused or returned to the vendor to be corrected. Appropriate compliance charges may be applied.

Carton 1

Case Pack= 1

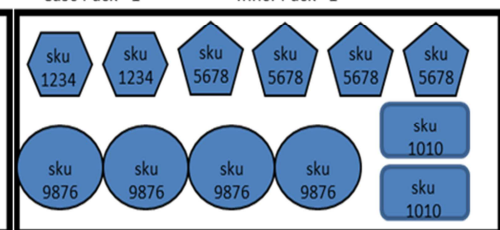
Inner Pack= 1



Carton 2

Case Pack= 1

Inner Pack= 1



Carton 3

Case Pack= 1

Inner Pack= 1



8.4 E-Commerce Packing Guidelines

E-Commerce merchandise will be included in your day to day purchase orders and are identified as Store 1963. We ask that you pay special attention to the packing and shipping instructions noted below for Store 1963 only.

8.4.1 Internet Packing Requirements – Soft Goods

- Ticket all merchandise with a vendor generated GTIN (UPC) or EAN barcode. The barcode must be visible through the polybag.
- The recommended GTIN (UPC) barcode size is to be no smaller than one inch by one half inch (1"X1/2").
- A GTIN (UPC) barcode must be placed on the outside of the polybag.
- Polybag markings of any kind must not cover the GTIN (UPC) barcode.
- No retail price should be listed on GTIN (UPC) or EAN ticket.
- All Master packs must contain one GTIN (UPC) per carton.
- Vendors must make every effort to ship pack by store merchandise in cartons that contain only one GTIN (UPC). In cases where there are too few units to put in a standard size carton, the excess of several different sizes and/or colors of the same item may be grouped together in a mixed carton. *A minimum of 4 units or more must be in its own carton.*
- If mixed cartons are necessary, the vendor must separate each section of a mixed carton with a layer of corrugate or paper.
- Merchandise must be packaged as an individual selling unit. Units sold in sets (Example: 2 pc ensemble), must be packed together in the same polybag.
- Infant 2 pc ensemble (newborn – 18 months), hangers are acceptable as long as the entire hanger fits inside the polybag.
- **Warning:** To avoid danger of suffocation, keep away from babies and children. Do not use in cribs, beds, carriages or playpens. Must be on all polybags thinner than 1 mil.
- **Avertissement:** Afin d'éviter tout risque d'étouffement, garder ce sac hors de la portée des bébés et des enfants. Ne pas le placer dans un berceau, un lit d'enfant, une poussette ou un parc. Cet avertissement doit être placé sur tous les sacs de polyéthylène de plus de 1 mil d'épaisseur.
- Polybags must be securely sealed, by either heat sealing or using clear wide tape.
- Polybags must not contain air holes/vent holes or pin holes. *Exception:* All Leather, suede, and fur items should be covered with paper and shipped in polybags with air holes/air vents to allow the fabric/material the breathe.
- Flat folded merchandise must hold to folded form within sealed polybag. Do not use polybags that are too large, causing the garment to become unfolded.
- Any item not holding fold must have a cardboard insert to maintain fold.
- Pins are **not** permitted. Do not use pins of any kind, including straight or safety pins. (Exceptions: dress shirts and woven sport shirts).



Carton Packing Requirements

Note: The following "Ready-To-Wear" classification must be shipped in sealed polybags, packed as individual selling units and NOT on hangers:

Product Category & Fabrication	Knits, Woven	Wool, Cashmere	Leather, Suede, Fur	Beaded	Velvet, Velour	Linen	Lycra	Silk
Jackets, Suits, Blazers, Coats, Outerwear	H	H	H	H	H	H	H	H
Tops, Blouses, Dress Shirts	F	F	H	F	H	F	F	H
Dresses	F	F	H	F	H	F	F	H
Evening Gowns	H	H	H	H	H	H	H	H
Sweaters	F	F	F	F	F	F	F	H
Skirts, Pants, Trousers, Shorts	F	F	H	F	H	F	F	H
Robes, Sleepwear, Lingerie, Under Garments	F	F	F	F	F	F	F	H

H= On Hanger F=Flat No Hanger

The following bag sizes are recommended for all items that are not hanging. Exceptions are acceptable if the unit size requires a larger or smaller size for neat presentation.

RTW Merchandise Type	Polybag Size	RTW Merchandise Type	Polybag Size
Swimwear	8x11	Men's t-shirt	15x17
Lingerie	8x11	Jeans	15x17
Men's Ties	8x11	Men's Denim Shorts	15x17
Tights/Socks	8x11	Men's Polo Shirts	15x17
Men's Underwear	8x11	Multi Pc Item	15x17
Face Towel	8x11	Slacks	15x17
Fingertip Towel	8x11	Turtleneck	15x17
Denim Shorts	10x17	Heavy Weight Outwear	16x20
Dresses	10x17	Plus Size Items	16x20
Blouses	10x17	Robes	16x20
Leggings	10x17	Sweatpants/Shirts	16x20
Hand Towel	10x17	Hand Knit sweater	16x20
T-Shirt	10x17	Bath Towel	16x20
Skirts	10x17		
Skorts	10x17	Bath Sheet Towel	20x30
Sweaters	10x17		
Jumpers	10x20		

8.4.2 Internet Folding Requirements

Sweaters, Shirts & Blouses



Pants, Shorts, Men's Swimwear & Men's Boxers/Underwear



Skirts



Dresses, Slips



8.4.3 Internet Packing Guidelines for Additional Classifications

- Ticket all merchandise with a vendor generated GTIN (UPC) or EAN barcode. The barcode must be visible through the polybag.
- The recommended GTIN (UPC) barcode size is to be no smaller than one inch by one half inch (1"x1/2").
- A GTIN (UPC) barcode must be placed on the outside of the polybag.
- Polybag markings of any kind must not cover the GTIN (UPC) barcode.
- No retail price should be listed on GTIN (UPC) or EAN ticket.
- All Master packs must contain one GTIN (UPC) per carton.
- Vendors must make every effort to ship pack by store merchandise in cartons that contain only one GTIN (UPC). In cases where there are too few units to put in a standard size carton, the excess of several different sizes and/or colors of the same item may be grouped together in a mixed carton. *A minimum of 4 units or more must be in its own carton.*
- If mixed cartons are necessary, the vendor must separate each section of a mixed carton with a layer of corrugate or paper.
- Merchandise must be packaged as an individual selling unit. Units sold in sets (Example: 2 pc ensemble), must be packed together in the same polybag.
- **Warning:** To avoid danger of suffocation, keep away from babies and children. Do not use in cribs, beds, carriages or playpens. Must be on all polybags thinner than 1 mil.
Avertissement: Afin d'éviter tout risque d'étouffement, garder ce sac hors de la portée des bébés et des enfants. Ne pas le placer dans un berceau, un lit d'enfant, une poussette ou un parc. Cet avertissement doit être placé sur tous les sacs de polyéthylène de plus de 1 mil d'épaisseur.
- Polybags must not contain air holes/vent holes or pin holes.
Exception: All Leather, suede, and fur items should be covered with paper and shipped in polybags with air holes/air vents to allow the fabric/material the breathe.
- Flat folded merchandise must hold to folded form within sealed polybag. Do not use polybags that are too large, causing the garment to become unfolded.
- Any item not holding fold must have a cardboard insert to maintain fold.
- Pins are **not** permitted. Do not use pins of any kind, including straight or safety pins. (Exceptions: dress shirts and woven sport shirts).

Fashion Accessories/Handbags/Accessories

- Packaging must protect the items' shape.

Jewelry / Watches

- Jewelry/watches must be individually packaged (within a polybag or carton) per selling unit.
- Earrings must be attached to the insert holder and boxed as a selling unit.
- Warranties and cases must be packaged with the selling unit/package.
- Jewelry **must not** have retail price on GTIN (UPC) tickets.
- GTIN (UPC) information must be on outer packaging as well as on individual items.

Men's

- Neck ties must be folded and attached to a cardboard insert.
- All dress shirts must be flat packed and polybagged.
- All Men's hosiery must be folded neatly, polybagged and not placed on hangers.

Bedding

- Vendor unit packaging of snap/zip lock bags or boxes are acceptable and don't require a polybag.

8.4.4 Internet Packing Guidelines – Hanging

The following classifications must be shipped on black VICS approved hangers:

Men's / Women's Coats

Men's/ Women's Blazers / Jackets

Special Occasion Garments

Men's / Women's Suits

Sequined / Beaded Dresses



- Ticket all merchandise with vendor generated GTIN (UPC) or EAN barcode. Barcode must be visible through polybag.
- A GTIN (UPC) barcode must be placed on the outside of the polybag.
- Polybag markings of any kind must not cover the GTIN (UPC) barcode.
- No retail price should be listed on GTIN (UPC) or EAN ticket.
- All Master packs must contain one GTIN (UPC) per carton.
- Vendors must make every effort to ship pack by store merchandise in cartons that contain only one GTIN (UPC). In cases where there are too few units to put in a standard size carton, the excess of several different sizes and/or colors of the same item may be grouped together in a mixed carton. *A minimum of 4 units or more must be in its own carton.*
- If mixed cartons are necessary, the vendor must separate each section of a mixed carton with a layer of corrugate or paper.
- Merchandise must be packaged as an individual selling unit. Units sold in sets (Example: 2 pc ensemble), must be packed together in the same polybag.
- **Warning:** To avoid danger of suffocation, keep away from babies and children. Do not use in cribs, beds, carriages or playpens. Must be on all polybags thinner than 1 mil
Avertissement: Afin d'éviter tout risque d'étouffement, garder ce sac hors de la portée des bébés et des enfants. Ne pas le placer dans un berceau, un lit d'enfant, une poussette ou un parc. Cet avertissement doit être placé sur tous les sacs de polyéthylène de plus de 1 mil d'épaisseur.
- Polybags must be securely sealed, by either heat sealing or using clear wide tape
- Polybags must not contain air holes/vent holes or pin holes.
Exception: All Leather, suede, and fur items should be covered with paper and shipped in polybags with air holes/air vents to allow the fabric/material the breathe.
- Flat folded merchandise must hold to folded form within sealed polybag. Do not use poly bags that are too large, causing the garment to become unfolded.
- Any item not holding fold must have a cardboard insert to maintain fold.
- Pins are **not** permitted. Do not use pins of any kind, including straight or safety pins. (Exceptions: dress shirts and woven sport shirts).
- Recommended polybag sizes:
 - o Short Garment bag - 21" x 4" x 54"
 - o Long Garment bag - 21" x 4" x 72"
- Hanging merchandise must be hung on black VICS approved hanger, polybagged and securely sealed.

8.4.5 Internet Packing Requirements – Hard Goods

- Please follow the packaging requirements below for all hard goods.
- All merchandise must be packaged as a selling unit.
- No additional repackaging/matching of sets.
- All Master packs must contain one GTIN (UPC) per carton.
- No retail price should be listed on GTIN (UPC) or EAN ticket.
- The recommended GTIN (UPC) barcode size is to be no smaller than one inch by one half inch (1"x1/2").
- Note: All components of a selling unit must be protected with foam, bubble wrap, or corrugate to protect the items from damage during handling and/or shipment
- Vendors must make every effort to ship merchandise in cartons that contain only one GTIN (UPC). In cases where there are too few units to put in a standard size carton, the excess of several different sizes and/or colors of the same item may be grouped together in a mixed carton.
- If mixed cartons are necessary, the vendor must separate each section of a mixed carton with a layer of corrugate or paper.
- All merchandise greater than 21 inches in length or over 25 pounds must be sent in "Customer ship ready cartons," as single units for safe transit in a small package environment.
- All hard goods packaged in a poly bag must be securely sealed.
- All gift boxed items must be poly bagged and securely sealed to prevent damage to box.
- Vendors must package flat pack merchandise in cartons where the maximum dimension does



not exceed 40 inches.

- Cartons should be plain or with a minimum of vendor printing
- All cartons must be securely sealed.
- Carton weights should not exceed 66 pounds, unless necessitated by the weight of a single unit.
- No Over-Packaging. All vendor cartons must be packaged with the minimum amount of packaging material required for safe shipment. Any "over-packaging" will be assessed a handling charge-back fee.

Table Top – Boxed Sets (China, Stemware, Flatware, Glassware and Decorative Home)

- Tabletop vendors will be required to ship all merchandise sold as sets (place settings, expanded sets, stemware sets) with only 1 GTIN (UPC) on the outside of the box and one piece of the set must be marked with a full detail GTIN (UPC) ticket. Each ticket must clearly state total number of pieces in the set (i.e. 4 pc, 5 pc). All components of the selling unit must be in a customer ship ready carton, with the product protected with foam, bubble wrap or corrugate to protect the items from damage during handling and/or shipment.
- Tabletop vendors will be required to ship all merchandise as an advertised selling unit, without any additional repackaging required for shipment. Merchandise will no longer be accepted in case packs. Vendors must make every effort to ship merchandise in cartons that contain only one GTIN (UPC).
- China Sets of 16 pc or more must be sent in ship-ready corrugate, with appropriate dunnage inside carton.

Tabletop Packaging – Open Stock

- Individual components of the place settings must be packed to prevent movement during transit.
- Corrugated, bubble wrap, foam or other protective material should be used as "separators" to ensure individual pieces do not rub or make contact with each other to prevent shipping and scratching.
- Pieces must be individually wrapped in foam protection or bubble wrap. Tissue paper/corrugate will not protect items during delivery and are not acceptable.
- An expense offset will be assessed for any china place settings where additional internal packing is required.

Kitchen Electrics/Cookware

- Ship all merchandise with only 1 GTIN (UPC) on the outside of the box with a full detail GTIN (UPC) ticket. All components of the selling unit must be in a customer ship ready carton, with the product protected with foam, bubble wrap or corrugate to protect the items from damage during handling and/or shipment.
- Ship all merchandise as an advertised selling unit, without any additional repackaging required for shipment. Merchandise will no longer be accepted in case packs. Vendors must make every effort to ship merchandise in cartons that contain only one GTIN (UPC).

Trim-a-Tree

- Protective packaging (i.e., bubble-wrap, foam) must be included in all individual selling units to protect merchandise during handling and shipment.

Confections (Food/Candy)

- Expiration date/shelf life date must be affixed to individual unit packaging.
- All items must be securely sealed with tamper proof tape or shrink wrapped.
- If items are breakable they must be wrapped in foam protection or bubble wrap.

Chair Sets



- Cartons must be plain or with a minimum of vendor printing and securely sealed.
- Cartons must be palletized and individually strapped or shrink wrapped (3 mil. thickness).
- When multiple chairs are packaged as a selling unit, protection is required between chairs using Styrofoam or corrugates.
- Inside corners of cartons must be reinforced with corrugate or Styrofoam.
- Packaging must be customer ship-ready without additional over wrapping or re-strapping.

Knock – Down Furniture/Mirrored Framed Art

- Package components of selling unit within the carton with foam or corrugate around the individual pieces.
- Cartons must be plain or with a minimum of vendor printing and securely sealed.
- Interior carton corners must be reinforced with corrugate or Styrofoam.
- Items such as tile or glass top tables need special protection. Styrofoam or extra corrugate sheets must be added to prevent damage during handling and shipment.
- All hardware and assembly instructions must be in a sealed pouch or bag.
- Packing must be customer ship-ready (no additional over wrapping or re-strapping).
- Mirrors/Framed Art should be double boxed, have corner foam cushioning and be labeled as Fragile. Outside container needs to be a shippable container.

Lamps

- All merchandise must be packaged as a selling unit, without any additional repackaging. Shades should be packaged with the lamp as a single selling unit. Ticketing and packaging is to provide one GTIN (UPC) / EAN for the lamp with the base and shade packed in one carton.
- Lamp necks must be protected by corrugate collars or Styrofoam forms.
- Packaging must be customer ship-ready without additional over wrapping or re-strapping.
- Carton must be 250 lb. test minimum.
- All openings must be securely sealed, taped or stapled.
- Vendors must insert appropriate protective packaging material, (i.e. bubble-wrap, corrugate sheets, pelspan, Styrofoam) to ensure items are secure within ship-ready cartons.
- Carton must have equal product weight distribution.

Rugs

- Rugs and mats need to be rolled and bagged as individual selling units. Bag should be 3 mil. thick.

Bedding

- Ship Bedding Products (Duvets, Pillows, Bed in a bag, etc.) with only 1 GTIN (UPC) on the outside of the box with a full detail GTIN (UPC) ticket. The selling unit must be in a customer ship ready carton.
- Ship all merchandise as an advertised selling unit, without any additional repackaging required for shipment. Merchandise will no longer be accepted in case packs. Vendors must make every effort to ship merchandise in cartons that contain only one GTIN (UPC).

Luggage

- Ship merchandise as an individual selling, advertised unit, without any additional repackaging required. Merchandise will no longer be accepted as a nested unit. Vendors must make every effort to ship merchandise in cartons that contain only one GTIN (UPC).
- Mark each box with only 1 GTIN (UPC) on the outside of the box, with a full detail GTIN (UPC) sticker. All components of the selling unit must be in a customer ship ready carton, with the product protected with foam, bubble wrap or corrugate to protect the items from damage during handling and/or shipment.

Cosmetics (GWP- Gift with Purchase)/Samples

- All items need to be packed as "kitted" individual selling units. Each unit needs to be



polybagged with a full detail GTIN (UPC) sticker on the outside of the polybag.

8.4.6 Internet Image Quality Requirements

- All image and copy assets must be supplied within 5 business days of initial request e-mail, sent by the Lord & Taylor/HBC Product Coordinator. If image and copy are not received within 5 business days of initial request, the vendor may be subject to a chargeback. For information regarding asset submission, please contact the Product Coordinator who sent the initial asset request.
- **File Transmission: Box.com** is the required method for file sharing and communication. Your Product Coordinator will provide a link to the specific Box.com folder, into which your image files should be uploaded. Image files must be uploaded to this Box.com folder, named by vendor style number.
- **Copy Submission:** Copy must be provided by filling out the Vendor Request Form supplied by the Product Coordinator at the time of the initial request. This form will contain a listing of all styles for which copy is required. The copy should be added to the form and either e-mailed back to the Product Coordinator or uploaded to the same Box.com file path as the image files. The copy should be as detailed as possible, calling out any important features of the product. At minimum, fabric, care and country of origin information is required.

Image Standards

- Resolution: 300 ppi
- Image Profile: sRGB
- Image Dimensions: 2000px width by 2564px height
- Image Format: jpeg, psd, tif
- Swatch Format: jpeg, gif
- Swatch Dimension: 22px by 22 px
- For color correction requests, a hex value, sample image, merchandise or merchandise swatch must be provided

Style Standards

- Vendor images should be shot on a white background, if they are not, HBC imaging will silhouette and place on a white background
- Do not silhouette or do any post work on images allocated for HBC websites.
- The following categories should be shot on model:
 - *Women's Sportswear, Swimwear, Dresses, Coats, Suits, Intimate/Sleepwear, Activewear, Men's Sportswear, Men's Clothing, Women's Hosiery*
- The following categories should be table-top, laydown images or on-form images:
 - *Gloves, Jewelry, Cosmetics, Shoes, Handbags, Kids, Watches, Men's Hosiery, Gifts, Belts, Men's Furnishings, Wraps & Scarves, Hats, Sunglasses*
- **No images on life-like, clear or ghost mannequins or forms will be accepted.**
- Images of pants/shorts/skirts on live models need to have a shirt on. No bare midriffs should be shown. If images are submitted with exposed midriffs, a shirt will need to be added on the model.

8.4.7 Packing Compliance Guidelines

It is the vendor's responsibility to adhere to the guidelines outlined in this section. Failure to comply may result in a compliance penalty and in some situations the product may be refused and returned to the vendor for resolution.

Note: For further information regarding HBC's Compliance Program, please see Section 13



9 Shipping Requirements

9.1 DC Shipments - Bill of Lading (B/L)

An accurate and informative Bill of Lading is essential for the prompt and correct receiving of your merchandise at our HBC Distribution Centers.

- A B/L in duplicate must accompany all shipments.
- Where multiple POs are being shipped we require only **ONE** master bill of lading per shipment.

All pallet transactions must be properly documented with the appropriate CHEP B/L

The following information must be on the B/L:

- Number of cartons.
- HBC PO number.
- Appointment number, date, time.
- Number of pallets
- If only pallets are shown on the B/L, the Receiver or driver will sign only for the number of pallets.
- For vendor pick up shipments (i.e.: drop trailers) the driver may sign the BOL as SLC (Shipper Load & Count), or sign for pallets only.
- The DC Receiver (at his/her discretion) may sign for the number of pallets only indicating on the BOL - "Cartons subject To Count" (STC).

9.2 DC shipments – EDI/ASN

For EDI/ASN shipments requiring more than one truck, a separate delivery appointment must be booked for each truck and an ASN reflective of each truck's contents must be transmitted. Packing slips are not required for ASN shipments.

9.3 Invoicing (non ASN orders only)

Non-ASN orders will be paid from packing slips only, not invoices. Please submit accurate packing slips with the shipment.

9.4 Palletization Guidelines

In order to enable continuous flow of shipments and meet service levels through our DC, the following guidelines must be met in order to achieve maximum benefits by both HBC and our vendors:

- Pallet height restriction differs by building:

Vancouver Logistics Centre (VLC-507)	51" for central stock, 80" for flow-through
EBTC Logistics Centre (EBT-591)	48" for central stock
Toronto Logistics Centre (TLC-596)	54" for central stock, 80" for flow-through
E-Commerce Fulfillment Centre	66" for central stock, 80" for flow-through

- Carton overhang on pallets is not allowed.
- All pallets must be well shrink wrapped in order to arrive intact at the DC and not broken down during transit
- Full pallet/skid quantities of the same SKU must be loaded together on the trailer
- Carton labeling must be legible and correct
- Palletizing by region code is no longer a requirement with one exception only. Between November 1st and April 1st, we require freezable product (ie cosmetics) be palletized by store groupings. 1100 series, 1500 series and 1600 series stores should be on separate pallets.



9.5 Pallet Types

All shipments into the DC must be on approved pallets (40 x 48); CHEP, CPC or non-returnable standard 4 – way pallets.

HBC does not supply pallets to vendors

- CHEP (blue) Pallets: The vendor must ship all CHEP pallets to the DC "One-Way-Only" no exchange. HBC DC will return these CHEP pallets to CHEP Canada.
 - CPC (orange) Pallets. Note: HBC does not exchange CPC pallets. "One-Way-Only" no exchange
 - Plain Wood (whiteboard) Pallets: HBC does not exchange plain wood pallets. "One-Way-Only" no exchange
- HBC's preference for pallets is CHEP. Please see below contact information:

CHEP Canada Inc
7400 East Danbro Crescent
Mississauga, Ontario L5N 8C6
(905) 790-2437
www.chep.com

CHEP USA
8517 South Park Circle
Orlando, FL 32819-9040
1-800-243-7872
www.chep.com

9.6 Pallet Identification

An 81/2" x 11" header sheet must be visible on each pallet and contain the following information:

- HBC PO Number
- Number of cartons per pallet

9.7 Driver Delivery Requirements

HBC DC's are driver assisted facilities. In order to maintain efficiency and abide by safety and insurance regulations the following driver general delivery instructions must be followed within the DC:

- Must stay with the load they are delivering
- Must follow each DC's security requirements
- Must not smoke or eat on the receiving dock or trailers
- Must not use HBC motorized equipment
- Must wear appropriate footwear
- Must assist in counting the merchandise that is being unloaded
- Must assist in offloading/hand-bombing the trailer

9.8 Carton Labelling

Our Distribution Centres receive thousands of cartons daily; the accurate receipt of your merchandise is dependent primarily on the proper labelling of your cartons. To avoid unnecessary delays, expense and time consuming correspondence, please ensure to follow these instructions carefully.

- UCC 128 Labels must contain the following information: Vendor name, address, postal code
 - o Ship to DC name, address, postal code
 - o Store number (with geographic region) in bold print, i.e.: ZA0123
 - o HBC purchase order number
 - o HBC department number HBC event code, i.e.: 9A, 9B, 9D etc., (if applicable)
- To ensure accurate and timely processing, the following label specifications are required for the UCC 128 barcode:
 - o ANSI Grade B or better barcode in UCC 128
 - o 20 MIL minimum narrow element width
 - o 1.0" minimum bar height
 - o Minimum quiet zone of 10 times the X-Dimension or 0.25"
 - o Labels must meet GS1 specifications, arrive in a legible, scannable condition, and be printed smudge resistant. *See figure 4*
 - o All cartons require a self-adhesive 4x6 UCC128 label adhered to the shipments. The UCC 128 label barcode transmitted on the ASN must be identical to the physical UCC 128 label that is placed on the carton.
 - o **All UCC 128 labels must be placed on the largest flat surface of the carton.** The correct label position is critical to move freight efficiently through our Distribution Centres. The label must

never be placed on the shortest end of the carton. *See figure 1a for improper label placement (not on largest flat surface); see figure 1b for acceptable label placement*

Figure 9 A : Improper label placement. UCC128 label not applied to largest flat surface



Figure 9 B : Proper label placement. UCC128 label applied to largest flat surface



- Do not place the 20 digit SSCC barcode over the carton seams or edge as these impact the readability of the barcode. *See figure 2a for improper label placement; see figure 2b & 2c for acceptable label placement options*

Figure 9 C : Improper label placement. 20 digit SSCC barcode over the carton seams



Figure 9 D : Proper Label Placement. Label applied length wise on flap of largest surface of carton



Figure 9 E : Proper Label Placement. Acceptable placement if label is larger than flap of largest flat surface of carton



- The UCC 128 label must not be covered by any other labels or tapes. *See figure 3*

Figure 9 F : Improper label placement. UCC128 label must not be covered by any other labels or tapes



- Only the HBC UCC 128 label that is applied for shipping to our DCs should appear on the cartons. *See figure 5.* There should be no other UCC 128 barcode labels on the cartons. If your cartons have other labels that you cannot remove, you must do at least one of the following:
 - o Place the UCC 128 label on top of the other label, or on another side of the carton (making sure that the UCC128 is on the largest flat surface) *See figure 6*
 - o Cover other labels with a sticker or black marker to ensure that they do not interfere with our scanners. *See figure 7*

Figure 9 G : Improper label placement. UCC 128 label is not applied flat in a legible, scannable condition



Figure 9 H : Improper label placement. There should be no other UCC 128 barcode labels on the cartons.



Figure 9 I : Proper label placement. Secondary barcodes covered by HBC's UCC128 label



Figure 9 J : Acceptable option for secondary barcodes. Cover other barcodes with a sticker or black market to ensure that they do not interface with our scanners.



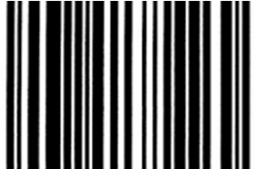


9.9 Pack By Store (PBS) Label Carton Requirements

Shipments predistributed by store must have a PACK (carton) UCC-128 shipping label [(00) 0 label] on each carton of predistributed by store merchandise, formatted/encoded for store destination.

Note: This label is mandatory and must be affixed to the largest flat surface of each carton.

9.9.1 HBC UCC-128 Pre-Distributed Pack(Carton) Shipping Label - (00) 0

A	FROM/DE: Vendor Name & Address data	TO/À: Toronto Distribution Ctr. 145 Carrier Drive Rexdale, Ont. M9W 5N5	B
C	Ship to Postal Code/ Expedier À: (420) M9W 5N5 	Carrier/Transporteur: Best Freight PRO:0282438238 BOL: 248234	D
E	PO: 1179347 Cat#: 310 Mens Sportswear Back to School		BEG.03 Segment
F	(91) 1514 	Store/Magasin: TQ1514	REF.03 Segment 1
H	Ship Code/Code D'Expedition: (00) 0 0024383 000001173 3 		G



<u>Section</u>	<u>Content</u>
A	Supplier's ship from name and address
B	Retailer's ship to name and address
C	Retailer's ship to postal code
D	Carrier information
E	Agreed to information between retailer and supplier. i.e. purchase order number, Category, and Division description. This section can be shared between the retailer and supplier
F	Final destination code
G	Final destination text
H	UCC 128-Serial Shipping Container Code (SSCC)

Please Note:

- The Bay and Home Outfitters' store codes are 2 alpha + 4 numeric
- All section content is mandatory
- UCC128 Label content to be approved by Hbc's EDI department



9.9.2 HBC UCC-128 Pre-Distributed Pack (Carton) Shipping Label Specs - (00) 0

Zone A Ship From Zone Title: From Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 1.5 3.81 cm Characteristic: Mandatory Data Content: Ship From Name and address (May include logo). Text Size: 8 to 10 Pts.	Zone E Trading Partner Data Zone Title: (N/A) Height: 1.0" (+0.2") 2.54 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Agreed to by Trading Partners May be combined with Zone F to provide additional large barcode to facilitate automated systems.
Zone B Ship To Zone Title: To Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: 12 Pts.	Zone F Zone Specs Final Destination Code Zone Title: Short title of A1 used or Ship to (for ship to number) or For (for mark for number) Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Final Destination Bar Code Must be human readable for location number (i.e. Store Code) and bar code for location number (i.e. Store Code). The location will identify the ship to in a pre-distributed environment. Conveyor scanning applications may require a bar code height greater than the minimum. Bar Code Specs Bar Code Height: 1.0" (minimum) 2.54 cm Bar Code Width: 1.5" (maximum) 3.81 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.5" 1.27 cm clear space before & after barcode Type: Code 128 Subset C Application Code: Bar code must start with '91'.
Zone C Carrier Routing Bar Code Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Ship to Postal Bar Code or PRO Number Bar Code Bar Code Height: 0.5" (minimum) 1.27 cm X Dimension: 0.010" (minimum) 0.025 cm Quiet Zone: 0.16" (approx.) 0.4 cm Type: Subset B Application Code: Bar code must start with (420) within Canada - (421) for USA	Zone G Final Destination Text Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Mandatory Data Content: Final Destination ID (Human Readable Only) Ship Code For Name and Address. ie. Region Code (alpha) + Store Code(num.) Test Size: 36 to 72 Pts for Final Destination ID 12 Pts. for Name and Address Please Note: The Bay and Home Outfitters' store codes are 2 alpha + 4 numeric.
Zone D Carrier Zone Title: Carrier Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Conditional Data Content: Carrier Name SCAC Bill of Lading Number (B/L: xxxxxxx) PRO Number (PRO: xxxxxxx) Carrier Assigned Package ID (PKG ID: xxxxxxx) (Human Readable Only) Carrier Assigned Shipper ID (SHPR ID: xxxxxxx) Test Size: 10 to 16 Pts.	Zone H Zone Specs Zone Title: SSCC Height: 1.8" (+0.2") 4.57 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Serial Shipping Container, Bar Code The 20 "data" characters are always printed in human readable form directly above the bar code and are characters which will be manually entered whenever key entry of the symbol is required. Bar Code Specs Bar Code Height: 1.25" (minimum) 3.18 cm Bar Code Width: 3.25" (maximum) 8.26 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.375" (approx.) 1.00cm (approx.) clear space before and after barcode Type: Code 128 Subset C Application Code: Bar Code must start with '00' 0



9.10 Bulk Label Carton Requirements

Bulk shipments require a TARE level UCC128 shipping label [(00) 1 designation] on each pallet. The TARE UCC 128 label (00) 1 must be adhered to the top right-hand corner of a shrink-wrapped pallet. Bulk shipments also requires, all cartons on the pallet to have a PACK (carton) UCC 128 shipping label [(00) 0 designation] that clearly identifies the HBC SKN number in human readable form in section E of the label and must be linked to both the Tare level on the ASN and the pallet label.

Note: This label is mandatory and must be affixed to the largest flat surface of each carton.

9.10.1 HBC UCC-128 Tare (Pallet) Level Shipping Label - (00) 1

A	FROM/DE: Vendor Name & Address data	TO/À: Toronto Distribution Ctr. 145 Carrier Drive Rexdale, Ont. M9W 5N5	B
C	Ship to Postal Code/ Expédier À: (420) M9W 5N5 	Carrier/Transporteur: Best Freight PRO:0282438238 BOL: 248234	D
REF.02 Segment 1	PO: 1179347 Cat#: 310 Mens Sportswear Back to School		BEG.03 Segment
E	(91) 0596 	Store/Magasin: ZT0596	REF.03 Segment 1
F	Ship Code/Code D'Expedition: (00) 1 0024383 000001173 3 		G
H			



<u>Section</u>	<u>Content</u>
A	Supplier's ship from name and address
B	Retailer's ship to name and address
C	Retailer's ship to postal code
D	Carrier information
E	Agreed to information between retailer and supplier. i.e. purchase order number, Category, and Division description. This section can be shared between the retailer and supplier
F	Final destination code
G	Final destination text
H	UCC 128-Serial Shipping Container Code (SSCC)

Please Note:

- The Bay and Home Outfitters' store codes are 2 alpha + 4 numeric
- All section content is mandatory
- UCC128 Label content to be approved by Hbc's EDI department



9.10.2 HBC UCC-128 Tare (Pallet) Shipping Label Specs - (00) 1

Zone A Zone Title: From Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 1.5 3.81 cm Characteristic: Mandatory Data Content: Ship From Name and address (May include logo). Text Size: 8 to 10 Pts.	Zone E Zone Title: (N/A) Height: 1.0" (+0.2") 2.54 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Agreed to by Trading Partners May be combined with Zone F to provide additional large barcode to facilitate automated systems.
Zone B Zone Title: To Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: 12 Pts.	Zone F Zone Specs Final Destination Code Zone Title: Short title of A1 used or Ship to (for ship to number) or For (for mark for number) Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Final Destination Bar Code Must be human readable for location number (i.e. Store Code) and bar code for location number (i.e. Store Code). The location will identify the ship to in a pre-distributed environment. Conveyor scanning applications may require a bar code height greater than the minimum. Bar Code Specs Bar Code Height: 1.0" (minimum) 2.54 cm Bar Code Width: 1.5" (maximum) 3.81 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.5" 1.27 cm clear space before & after barcode Type: Code 128 Subset C Application Code: Bar code must start with '91'.
Zone C Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Ship to Postal Bar Code or PRO Number Bar Code Bar Code Height: 0.5" (minimum) 1.27 cm X Dimension: 0.010" (minimum) 0.025 cm Quiet Zone: 0.16" (approx.) 0.4 cm Type: Subset B Application Code: Bar code must start with (420) within Canada - (421) for USA	Zone G Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Mandatory Data Content: Final Destination ID (Human Readable Only) Ship Code For Name and Address. ie. Region Code (alpha) + Store Code(num.) Test Size: 36 to 72 Pts for Final Destination ID 12 Pts. for Name and Address Please Note: The Bay and Home Outfitters' store codes are 2 alpha + 4 numeric.
Zone D Zone Title: Carrier Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Conditional Data Content: Carrier Name SCAC Bill of Lading Number (B/L: xxxxxxx) PRO Number (PRO: xxxxxxx) Carrier Assigned Package ID (PKG ID: xxxxxxx) (Human Readable Only) Carrier Assigned Shipper ID (SHPR ID: xxxxxxx) Test Size: 10 to 16 Pts.	Zone H Zone Specs Zone Title: SSCC Height: 1.8" (+0.2") 4.57 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Serial Shipping Container, Bar Code The 20 "data" characters are always printed in human readable form directly above the bar code and are characters which will be manually entered whenever key entry of the symbol is required. Bar Code Specs Bar Code Height: 1.25" (minimum) 3.18 cm Bar Code Width: 3.25" (maximum) 8.26 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.375" (approx.) 1.00cm (approx.) clear space before and after barcode Type: Code 128 Subset C Application Code: Bar Code must start with '00' 1



9.10.3 HBC UCC – 128 Bulk Pack (Carton) Shipping Label – (00) 0

A	FROM/DE: Monarch Marking 895 Brock Road Pickering, Ont. L1W 3C1		TO/À: Toronto Distribution Ctr. 145 Carrier Drive Rexdale, Ont. M9W 5N5		B
	Ship to Postal Code/ Expedier À: (420) M9W 5N5		Carrier/Transporteur: Best Freight PRO:0282438238 BOL: 248234		
C	REF.02 Segment 1				D
E	REF.03 Segment 2		PO: 1179347		BEG.03 Segment
			Cat#: 310 Mens Sportswear Back to School		REF.03 Segment 1
F			Store/Magasin: ZT0596		G
H			Ship Code/Code D'Expedition: (00) 0 0024383 000001173 6		PO1 Segment

Section	Content
A	Supplier's ship from name and address
B	Retailer's ship to name and address
C	Retailer's ship to postal code
D	Carrier information
E	Agreed to information between retailer and supplier. i.e. purchase order number, Category, and Division description. This section can be shared between the retailer and supplier
F	Final destination code
G	Final destination text
H	UCC 128-Serial Shipping Container Code (SSCC)



9.10.4 HBC UCC-128 Bulk Pack (Carton) Shipping Label Specs- (00) 0

Zone A Zone Title: From Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 1.5 3.81 cm Characteristic: Mandatory Data Content: Ship From Name and address (May include logo). Text Size: 8 to 10 Pts.	Zone E Zone Title: (N/A) Height: 1.0" (+0.2") 2.54 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Agreed to by Trading Partners May be combined with Zone F to provide additional large barcode to facilitate automated systems.
Zone B Zone Title: To Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: 12 Pts.	Zone F <u>Zone Specs</u> Final Destination Code Zone Title: Short title of A1 used or Ship to (for ship to number) or For (for mark for number) Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Final Destination Bar Code Must be human readable for location number (i.e. Store Code) and bar code for location number (i.e. Store Code). The location will identify the ship to in a pre-distributed environment. Conveyor scanning applications may require a bar code height greater than the minimum. <u>Bar Code Specs</u> Bar Code Height: 1.0" (minimum) 2.54 cm Bar Code Width: 1.5" (maximum) 3.81 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.5" 1.27 cm clear space before & after barcode Type: Code 128 Subset C Application Code: Bar code must start with '91'.
Zone C Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Ship to Postal Bar Code or PRO Number Bar Code Bar Code Height: 0.5" (minimum) 1.27 cm X Dimension: 0.010" (minimum) 0.025 cm Quiet Zone: 0.16" (approx.) 0.4 cm Type: Subset B Application Code: Bar code must start with (420) within Canada - (421) for USA	Zone G Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Mandatory Data Content: Final Destination ID (Human Readable Only) Ship Code For Name and Address. ie. Region Code (alpha) + Store Code(num.) Test Size: 36 to 72 Pts for Final Destination ID 12 Pts. for Name and Address <u>Please Note:</u> The Bay and Home Outfitters' store codes are 2 alpha + 4 numeric.
Zone D Zone Title: Carrier Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Conditional Data Content: Carrier Name SCAC Bill of Lading Number (B/L: xxxxxxx) PRO Number (PRO: xxxxxxx) Carrier Assigned Package ID (PKG ID: xxxxxxx) (Human Readable Only) Carrier Assigned Shipper ID (SHPR ID: xxxxxxx) Test Size: 10 to 16 Pts.	Zone H <u>Zone Specs</u> Zone Title: SSCC Height: 1.8" (+0.2") 4.57 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Serial Shipping Container, Bar Code The 20 "data" characters are always printed in human readable form directly above the bar code and are characters which will be manually entered whenever key entry of the symbol is required. <u>Bar Code Specs</u> Bar Code Height: 1.25" (minimum) 3.18 cm Bar Code Width: 3.25" (maximum) 8.26 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.375" (approx.) 1.00cm (approx.) clear space before and after barcode Type: Code 128 Subset C Application Code: Bar Code must start with '00' 0

9.11 HBC Special Order Label Program

As of June 25, 2012, HBC has implemented changes to the HBC Special Order Carton Label Program. This change is specific to the current Special Orders (CSO/Promo Over -Sold) process which mandates labels must be clearly placed on all cartons identifying "customer product", ordered by the vendor from HBC. The new process will allow the vendor to purchase the labels directly from the supplier of their choice or create their own labels that match HBC requirements. This change will greatly improve the dynamics of the HBC Special Order Carton Label Program for both vendor partners and HBC.

As a reminder, this change requires that our vendors:

- Re-introduce this program to all individuals directly working with Special Orders (CSO/Promo Over - Sold)
- Former Process will no longer be valid and put out of circulation commencing June 25, 2012
- Please ensure you refer to The Vendor Logistics/Shipping Manual, Section 5, Carton Requirements for specific details

If you have any questions about these changes, please contact srm.inquiries@HBC.com

We appreciate your continued support with these changes intended to improve our mutual efficiency and effectiveness.

9.11.1 Vendor Responsibility

- Vendor will be accountable to purchase from their supplier of choice or create their own Customer Special Order/ Promotion Over-sold labels that match HBC Requirements as outlined below:
 - o Customer Special Order (CSO) Label is to be located on the top of the box, under or next to the UCC-128 Label (must not be covered by any other labels or tapes)
 - o Prefer the CSO Label to be PINK (allows for clear visibility) – (see below)
 - o Prefer wording on CSO Label to be bilingual and written as follows (see below)



- Specs for CSO Label (minimum requirements):
 - Width – 7cm
 - Height – 5cm
- In Retek entered as follows:
 - Customer Special Orders – PO TYPE: CUST
 - Promotion Over-sold – PO TYPE: POVR
- ASN Transmitted as follows:
 - Customer Special Orders – PO TYPE: CUST



- Promotion Over-sold – PO TYPE: POVR

9.11.2 EDI example for CUST bolded in red

Select
EDIM259 _____ TRANSACTION DISPLAY A B 06/15/2012
16:09:35

Group - User : ZELLERS Partner : 044243
Group Name . . : CONSG CANDYM ENTERPRISES LTD.(
Group Env. Ref : 304001138
Trans. Set . . : 850 Ack Status : A
Trans. Env Ref : 304001352 I/O : Outbound
Databank : Gentran
A Search _____
_ ST.850.304001352.
_ BEG.00.SA.46199670596..20120604.
_ CUR.BY.CAD.
_ REF.DP.0648.648 LIVING/DINING.
_ **REF.MR.05.Customer Specia.**
_ REF.IA.044243.
_ FOB.PP.ZZ.Distribution Ce.
_ ITD.01.2.....10.
_ DTM.064.20120615.
_ DTM.063.20120620.

9.11.3 EDI example for Oversold bolded in red

Select
EDIM259 _____ TRANSACTION DISPLAY A B 06/15/2012
16:13:29

Group - User : ZELLERS Partner : 118158
Group Name . . : DANESCO OF CANADA LTEE
Group Env. Ref : 401002778
Trans. Set . . : 850 Ack Status : A
Trans. Env Ref : 401005359 I/O : Outbound
Databank : Gentran
A Search _____
_ ST.850.401005359.
_ BEG.00.SA.74049990596..20120605.
_ CUR.BY.CAD.
_ REF.DP.0639.639 KITCHEN/LAUNDRY.
_ **REF.MR.04.Promotion-Overs.**
_ REF.IA.118158.
_ FOB.CC.ZZ.Factory.
_ SAC.A.E800....4.1.....02...Return Allowanc.
_ ITD.08.2.3..20..70.
_ DTM.064.20120615.

9.11.4 Shipping Compliance Guidelines

It is the vendor's responsibility to adhere to the guidelines outlined in this section. Failure to comply may result in a compliance penalty and in some situations the product may be refused and returned to the vendor for resolution.

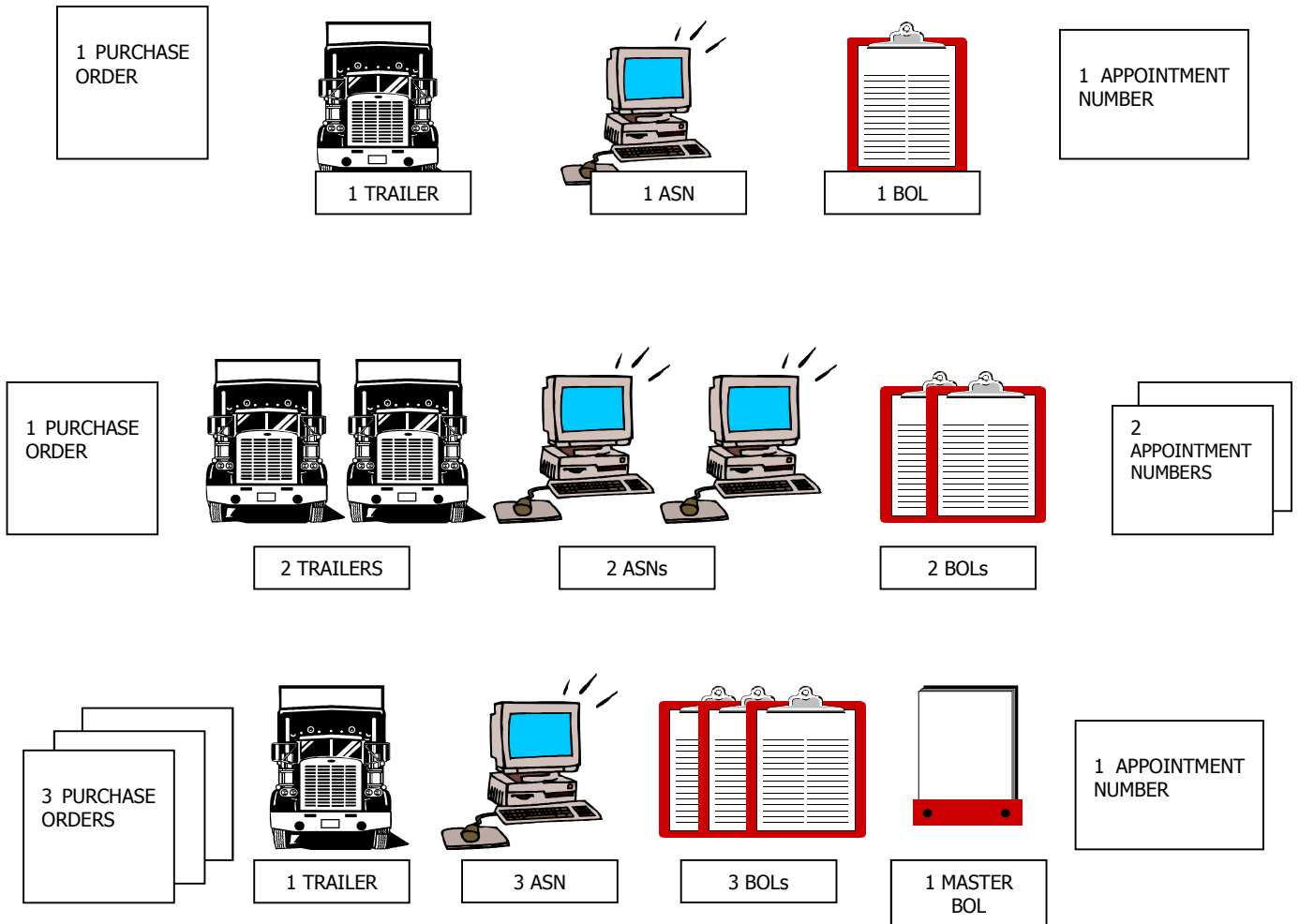
Note: For further information regarding HBC's Compliance Program, please see Section 13

10 Delivery Appointment Scheduling

All purchases orders shipped through a Distribution Centre (regardless of carton quantities) require a delivery appointment to be scheduled at the designated DC. The vendor must confirm all the ship dates and special instructions on the Purchase order. The expectation is that there will be a single appointment scheduled per delivery. An appointment must be scheduled to arrive in our DC within the ship window as outlined in section 5 of this manual. Store Direct Purchase Orders do not require a delivery appointment. The Not Before and Not After Dates are the expected in Store dates.

10.1 Timing of the Appointment Requests

AR orders are transmitted via EDI 850 and sent with immediate ship dates. Once the order is received the appointment must be requested. In the event that the vendor has multiple AR orders to ship, it is expected that the request for all the orders will be consolidate to a single appointment request. If the quantity to delivery exceeds a truckload, then HBC expects an appointment per truckload. All Other Orders must have the appointments requested 7 Calendar days prior to the Not before Date. Again, when multiple orders are being requested, it is expected that the orders will be consolidated to a single appointment. If the quantity to delivery exceeds a truckload, then HBC expects an appointment per truckload, where possible AR orders can be combined with other order types to a single appointment request per truckload.



**10.1.1 Canadian Transit Table**

Country	Province	DC 507		DC 596	
		FTL	LTL	FTL	LTL
Canada	Alberta	4	5	6	7
Canada	British Columbia	1	1	6	6
Canada	Manitoba	6	7	6	7
Canada	New Brunswick	10	11	3	3
Canada	Newfoundland	15	16	8	8
Canada	Northwest Territories	10	10	10	10
Canada	Nova Scotia	11	12	4	4
Canada	Nunavut	10	10	10	10
Canada	Ontario	8	9	1	1
Canada	Prince Edward Island	11	12	4	4
Canada	Quebec	8	9	2	2
Canada	Saskatchewan	8	9	6	7
Canada	Yukon	10	10	10	10

Note: FTL= Full Truck Load, LTL = Less than Full Truckload



10.1.2 USA Transit Table

Country	State	DC 507		DC 596	
		FTL	LTL	FTL	LTL
USA	Alabama	5	7	3	5
USA	Arizona	4	6	5	7
USA	Arkansas	5	7	3	5
USA	California	3	5	5	7
USA	Colorado	4	6	4	6
USA	Connecticut	6	8	2	4
USA	Delaware	6	8	2	4
USA	Florida	6	8	4	6
USA	Georgia	6	8	3	5
USA	Idaho	2	4	5	7
USA	Illinois	5	7	2	4
USA	Indiana	5	7	2	4
USA	Iowa	4	6	3	5
USA	Kansas	4	6	3	5
USA	Kentucky	5	7	2	4
USA	Louisiana	5	7	4	6
USA	Maine	6	8	2	4
USA	Maryland	6	8	2	4
USA	Massachusetts	6	8	2	4
USA	Michigan	5	7	2	4
USA	Minnesota	4	6	3	6
USA	Mississippi	5	7	3	5
USA	Missouri	5	7	3	5
USA	Montana	3	5	4	6
USA	Nebraska	4	6	3	5
USA	Nevada	3	5	5	7
USA	New Jersey	6	8	2	4
USA	New Mexico	6	8	4	6
USA	New York	6	8	2	4
USA	New Hampshire	6	8	2	4
USA	North Carolina	6	8	3	5
USA	North Dakota	3	5	4	6
USA	Ohio	5	7	2	4
USA	Oklahoma	5	7	3	5
USA	Oregon	2	4	5	7
USA	Pennsylvania	6	8	2	4
USA	Rhode Island	6	8	2	4
USA	South Carolina	6	7	3	5
USA	South Dakota	4	6	4	6
USA	Tennessee	5	7	3	5
USA	Texas	5	7	4	6
USA	Utah	3	5	5	7
USA	Vermont	6	8	2	4
USA	Virginia	6	8	2	4
USA	Washington	2	4	2	4
USA	West Virginia	6	8	2	4
USA	Wisconsin	5	7	3	5
USA	Wyoming	3	5	4	6
USA	Mexico	0	0	14	14

Note: FTL= Full Truck Load, LTL = Less than Full Truckload



If the submitted appointment request results in the shipment arriving after the Not After Date, the order will be considered to be a late shipment. As noted above, if HBC Freight is routing the shipment, the transit days need to be accounted for within the ship window when submitting the ready to ship date. This type of appointment request is considered to be a vendor generated extension request and late shipment penalties will be applied at HBC's discretion. Appointments requiring an extension up to 2 business days will automatically be granted. In order to save both our companies processing time and avoid further shipment delays, HBC will grant the appointment and subsequently apply the appropriate late shipping charge after the appointment has been granted. Any extension requests beyond 2 business days will be forward to the buying office for approval to accept the shipment late. If the buying office elects to accept the shipment late, the appointment office will then grant an appointment and apply any appropriate late shipping penalties.

10.2 Online Appointment Scheduling

HBC has an online internet based appointment scheduling system. It is a self-service portal that allows the vendor to schedule orders into our distribution centers based on the criteria required (explained in detail below). **NOTE: the system only works with Internet Explorer and will not work with any Macintosh products.** If all the guidelines are followed and the parameters met, an appointment is automatically granted within a few minutes. If you are a new vendor and do not have access to this system, please refer section 2, "New Vendor Requirements" for instructions on how to be set-up.

The website for booking appointments can be found at www.qlogitek.com. Click on Client Login & Hbc Appointment Scheduling.

Figure 10 A : Sign in to IMS

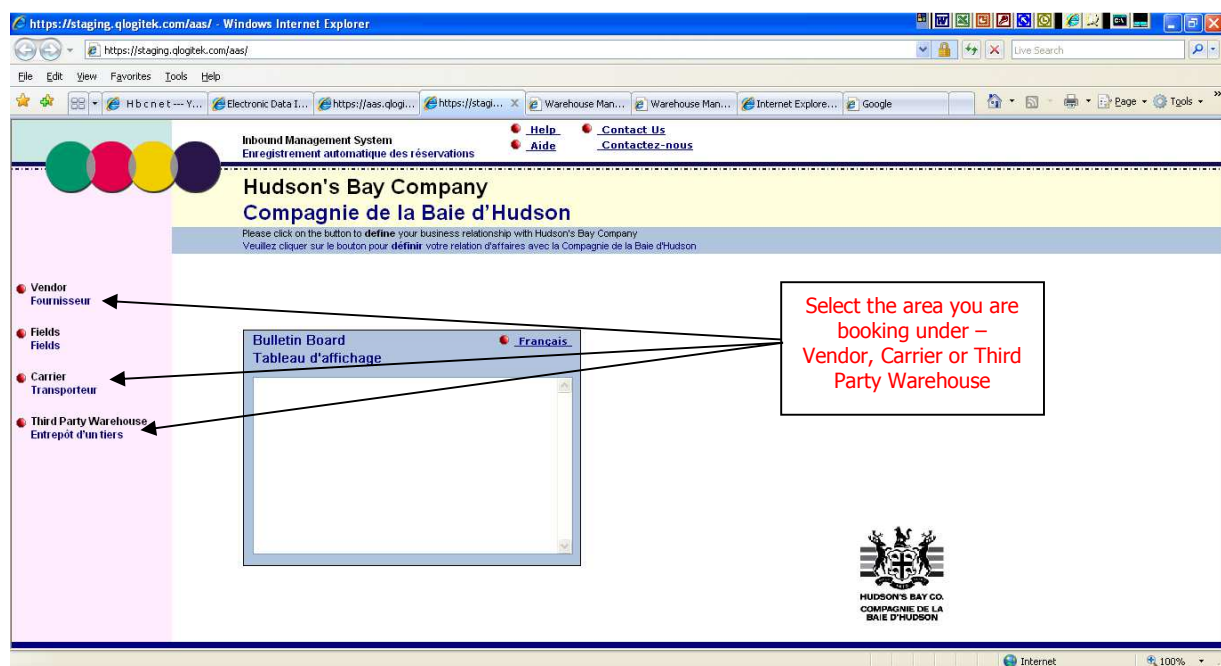
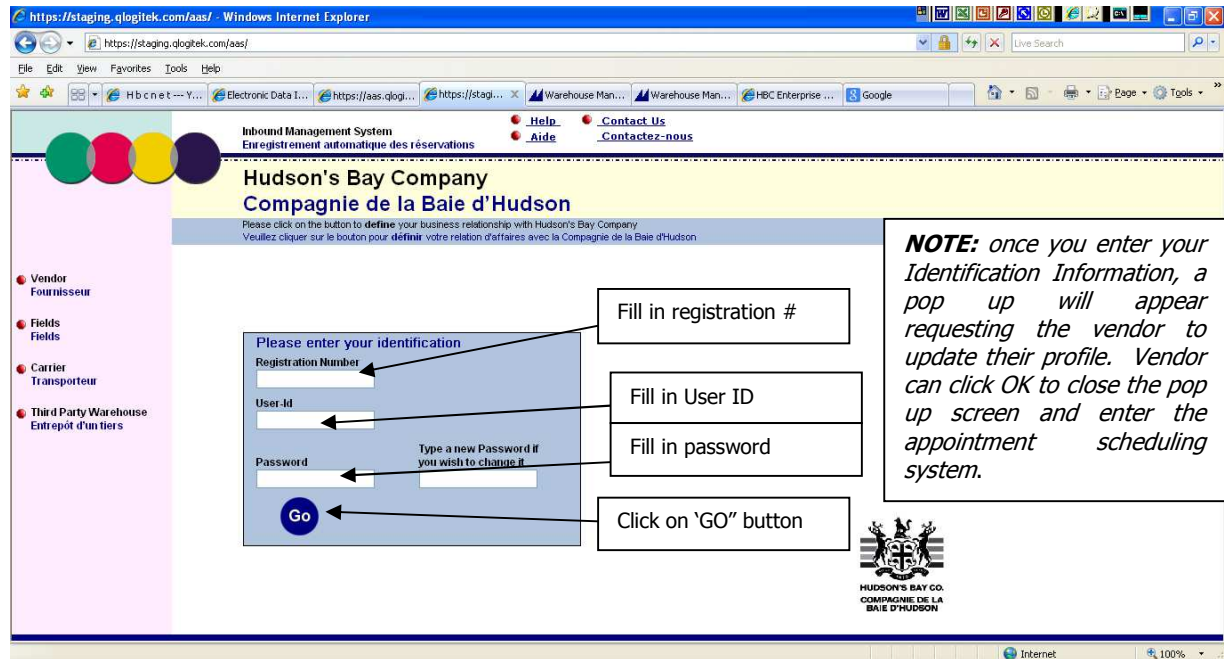
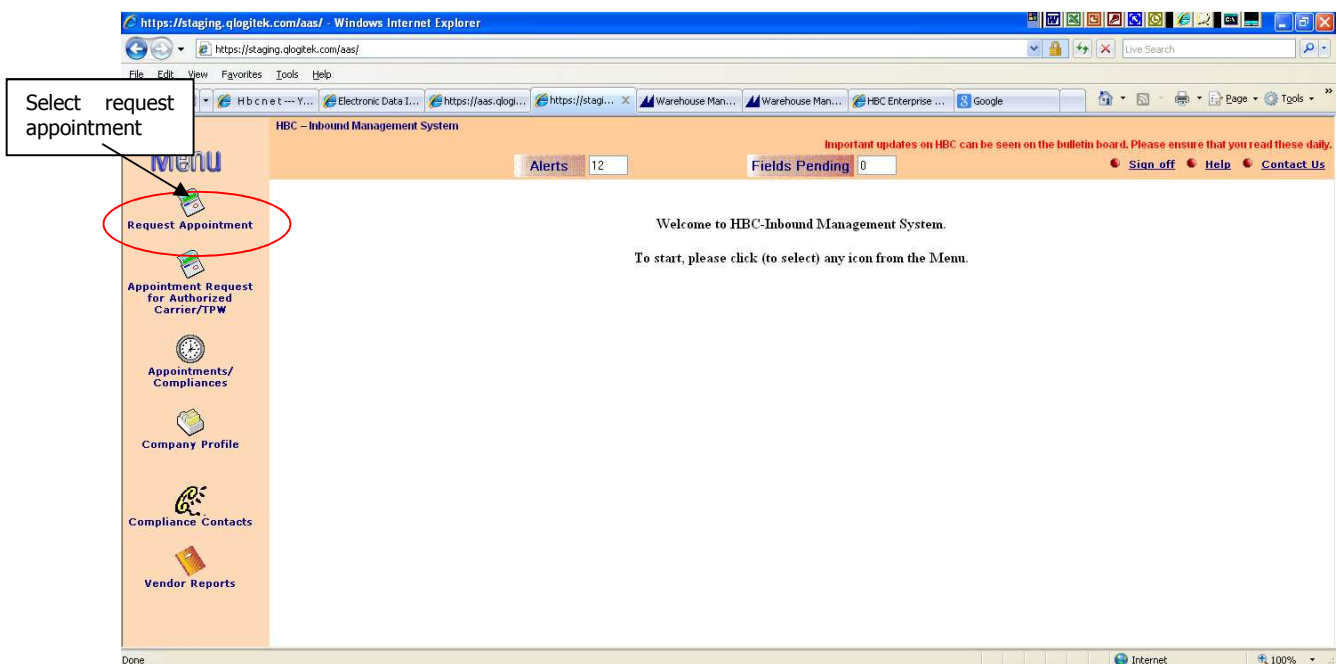


Figure 10 B : Login to IMS and Request Appointments

Once the appointment booking page system has been accessed, it is necessary to complete specific information to be able to complete an appointment request. The mandatory fields are noted below. In the event that a mandatory field is missed, there will be a prompt to complete that field before proceeding with the request. HBC allows 10% variance on the carton count but the # of pallet/pallet locations must be accurate.



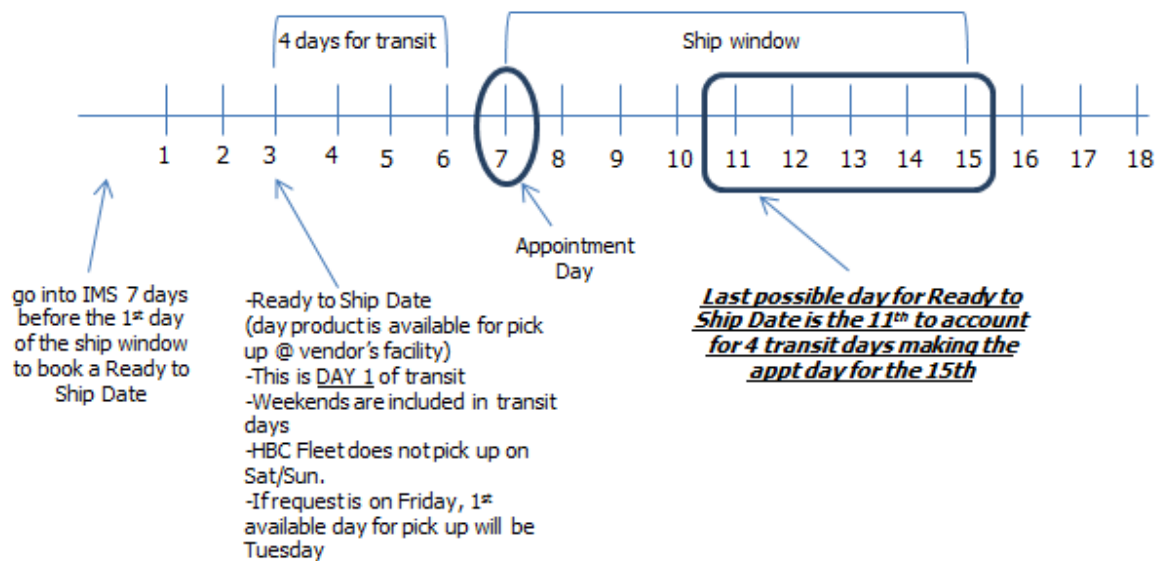
For collect freight or HBC prepaid pick-up, the screen will appear as below. The vendor is requesting a ready to ship date. Please ensure sufficient lead-time (see Canadian Transit Table and USA Transit Table above) has been allowed to get the product to our dc by the Not After Date on the order.

Collect or HBC Pick Up Vendor Appointment Booking Process Ship Window

NBD: April 7, 2015

NAD: April 15, 2015

Vendor is Pick up (collect) with 4 transit days needed from vendor's door to HBC's door



10.3 IMS Functionality

Ship to dc, last 4 digits of the PO on the edi 850. Select DC # by drop down

COLLECT VENDORS:
Enter in date product will be ready for pick-up by Hbc from the Vendor's facility, ensure that the appropriate transit days are accounted for so the order is not late.

Select your vendor number from the drop down; if you have more than one vendor number, you cannot mix orders from different vendor numbers on a single request

LTL & FTL will populate for collect vendors. This indicates the # of transit days needed

Pick-up address is pre-populated

US Vendors ONLY - need to enter NMFC code.

Mandatory shipment weight and cube

Add BOL, Indicate if there are multiple BOL's with a master BOL. The BOL must match the BOL on the ASN

Enter carton, sku, pallet details for the total shipment, cartons can be an estimate

Add all the PO's on the shipment

Buttons: Add BOL, Remove BOL, Add PO, Remove PO

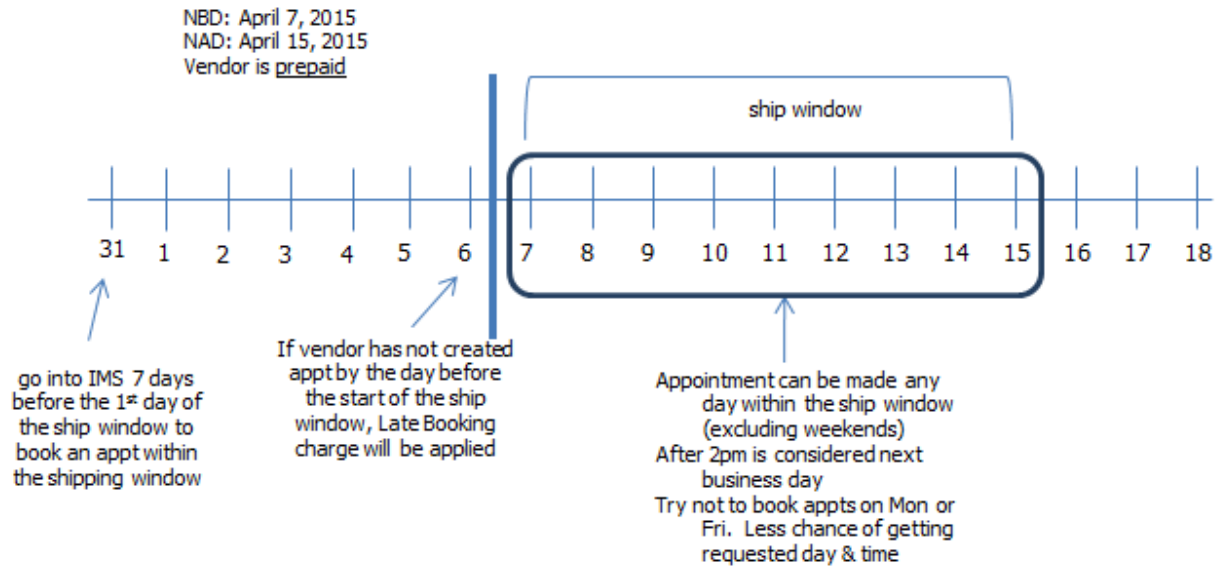
Buttons: Submit, Save, Close

Submit the appointment request once the data above is complete

Buttons: Submit, Save, Close

If the vendor contracts a carrier to deliver to the HBC Distribution Centre, the screen will appear as above. Please note, that you will be requesting a delivery appointment date into our DC.

Prepaid Vendor Appointment Booking Process Ship Window



Select your vendor number from the drop down, if you have more than one vendor number, you cannot mix orders from different vendor numbers on the same request

Ship to dc, last 4 digits of the PO on the edi 850. Select DC # by drop down

Request delivery date

Pick-up information not relevant

Add BOL, Indicate if there are multiple BOL's with a master BOL. The BOL must match the BOL on the ASN

Add all the PO's on the shipment

Enter carton, sku, pallet details for the total shipment, cartons can be an estimate

Important updates on HBC can be seen on the bulletin board. Please ensure to

Sign off

Alerts: 12

Fields Pending: 0

HBC Company: Hbc Zellers

Your Vendor Number/Name: (Select one)

DC Number/Name: 598 - TORONTO-TLC

Requested Delivery Date At DC: [Calendar]

LTL: [] FTL: []

Weight in Pounds: [] Cube in cubic feet: []

Number of cartons: [] Number of pallets: []

PO Number (first 7 digits): []

Number Of Pallet Positions: []

Number Of SKNs, if Bulk: []

Double-stacked Bill of Lading: []

Add BOL, Remove BOL, Master Bill of Lading, Add PO



Submit the appointment request once the data above is complete

10.4 FAQ's to Remember when Booking an Appointment

- Appointment requests submitted after 2:00 PM Eastern Time are considered next business day requests for both arrangement of pick-up by our fleet or for delivery to our dc. If the move to the next business days causes the shipment to be past cancel, it will be considered late.
- If the vendor has more than one vendor/site number or wants a designated carrier or third party warehouse to book appointments, HBC can complete the set-up accordingly. Please contact the HBC appointment scheduling team to answer questions in this regard.
- Pack by store (store ready) orders cannot be on the same appointment (or ASN) request as dc only orders (bulk, no store allocations provided).
- Orders for Bay and Home Outfitter shipments cannot be on the same appointment request (or ASN).
- Appointment cancellations must be executed no later than 48 hours prior to the appointment date. The master BOL on the appointment request must match the master BOL. The BOL on the appointment must match the BOL on the ASN. If you are using a Master BOL that is what you put on the appointment and ASN. That allows HBC to properly align the appointment with the ASN during the receiving process. In the event that you cannot provide the master BOL prior closing the trailer, the vendor can submit with a temporary BOL number, then edit the BOL on the appointment request prior to arrival at the dc. This is done by selecting the appointment and changing the BOL.



The screenshot displays the 'HBC - Inbound Management System' web interface. On the left is a 'Menu' with icons for 'Request Appointment', 'Appointment Request for Authorized Carrier/TPW', 'Appointments/Compliances' (circled in red), 'Company Profile', 'Compliance Contacts', and 'Vendor Reports'. The main content area shows details for a request with 'Request Number' 1-2030553, 'Status' Scheduled, and 'Appointment Number' 1000157846. It includes fields for 'Trailer Number', 'Carrier', 'DC Location' (596 - TORONTO-TLC), 'Date & Time' (11/28/2012 00:00), 'Arrived Date & Time', and 'Exit Date & Time'. Below this is a section for 'HBC Company' (Hbc Zellers) and 'Your Vendor Number/Name' (28049 - DOONEY AND BOUR). The 'DC Number/Name' is 596 - TORONTO-TLC. The 'Ready To Ship Date' is 11/26/2012 and the 'Original Ready to Ship Date' is 11/26/2012. A checkbox for 'Hudson's Bay Transport Pickup' is checked, with the 'Pick up Address' as 1 REGENT STREET EAST, NORWALK, USA, CT, 06855. The 'Weight in Pounds' is 10000 and the 'Cube in cubic feet' is 50. At the bottom, there are 'Cancel', 'Change BOL' (circled in red), and 'Close' buttons. A red banner at the top right states: 'Important updates on HBC can be seen on the bulletin board. Please ensure that you read these daily.' with links for 'Sign off', 'Help', and 'Contact Us'.

10.5 HBC Intervention Alert

An alert that indicates "HBC Intervention" will be initiated by the system and sent to you if your request fails to meet the appointment booking criteria. If the issue is a dc capacity issue or an extension request up to 2 business days, you should have the confirmed appointment back by the end of the day. For closed/cancelled purchase orders, extension requests exceeding 2 days or orders requiring allocation, we have to send the detail out to the planning / buying team to be approved/corrected before an appointment can be granted. This process can take anywhere from 2 hours to 4 days depending on what action needs to take place. Your appointment will be granted with the appropriate approval from those teams and you will be sent a confirmation alert.



11 Transportation Guidelines

11.1 DC Shipments - Bill of Lading (B/L)

An accurate and informative Bill of Lading is essential for the prompt and correct receiving of your merchandise at our HBC Distribution Centers.

- A B/L in duplicate must accompany all shipments.
- Where multiple POs are being shipped we require only **ONE** master bill of lading per shipment.

All pallet transactions must be properly documented with the appropriate CHEP B/L

Note: HBC does not accept or give exchanges for CPC pallets.

The following information must be on the B/L:

- Number of cartons.
- HBC PO number.
- Appointment number, date, time.
- Number of pallets
- If only pallets are shown on the B/L, the Receiver or driver will sign only for the number of pallets.
- For vendor pick up shipments (i.e.: drop trailers) the driver may sign the BOL as SLC (Shipper Load & Count), or sign for pallets only.
- The DC Receiver (at his/her discretion) may sign for the number of pallets only indicating on the BOL - "Cartons subject To Count" (STC).

11.1.1 DC shipments – EDI/ASN

For EDI/ASN shipments requiring more than one truck, a separate delivery appointment must be booked for each truck and an ASN reflective of each truck's contents must be transmitted. Packing slips are not required for ASN shipments.

11.1.2 Invoicing (non ASN orders only)

Non-ASN orders will be paid from packing slips only, not invoices. Please submit accurate packing slips with the shipment.

11.2 HBC Fleet Back Haul Program

Hudson's Bay Transport, a division of our Hudson's Bay Logistics Group, provides an excellent, cost-effective transport service to our Distribution Centers. We can transport your merchandise from anywhere in Canada.

Contact Hudson's Bay Transport, Business Development team to discuss the terms and conditions of our program. 416-644-2700 ext. 2

Note: For each delivery, an appointment must be made:

- Book a delivery appointment via Automated Appointment Scheduling system at www.qlogitek.com.
- The system will notify HBC Logistics dispatch.
- Confirm the pickup with dispatch, advising approximate pick up time.
- Freight charges will be deducted from a HBC cheque.
- If Hbc Freight signs for the number of pallets, carton count will be audited at the DC for overage/shortages



11.3 HBC Mis-routing Claims (Transportation Compliance debit)

A Mis-routing claim will be issued for collect shipments sent to HBC stores or HBC Distribution Centers without using our designated carrier.

Authorization must be provided in writing by Hudson's Bay Transport to use a designated HBC Common Carrier.

Misrouting claims will be calculated as follows:

- The total freight charge
- A \$100.00 handling charge will be added to each misrouting claim.
Note: In addition, if product is not ready for pick up and the delivery appointment is subsequently missed, missed appointment charges may be applied.
- The Misrouting claim will be deducted from a future HBC cheque.

11.4 Shipping Terms

If a PO for HBC is purchased **FOB HBC DC**:

- The Vendor is responsible for all freight expense to the HBC DCs.
- Vendor has the right to select the carrier of their choice, or they may participate in the HBC Fleet Back Haul Program as outlined in 2.0 of this section.

If a PO for Vendor Direct shipment is purchased **FOB Store**, then:

- The Vendor is responsible for all freight expense to the Store.
- Vendor has the right to select the carrier of their choice or they may participate in the HBC Fleet Back Haul Program as outlined in 2.0 of this section.

If a PO for Vendor Direct shipment is purchased **FOB Destination**, then:

- The Vendor is responsible for all freight expense to the destination store or DC.
- Vendor has the right to select the carrier of their choice or they may participate in the HBC Fleet Back Haul Program as outlined in 2.0 of this section.

If a PO for Vendor Direct shipment is purchased **FOB Factory**, then:

- HBC is responsible for all freight expense from the shipper's location.
- Vendor must use a HBC designated carrier as depicted on the PO, i.e.: Ontario & PQ use HBT, US vendors will use the carriers as defined in the HBC Import Guide.
- HBC Back Haul program will provide 53ft trailers and vendors must build loads to that size or the Transportation Department will charge the vendor for wasted cube.



11.5 Hazardous Material Policy

- Hazardous material poses a possible threat to safety. The proper loading, shipping and unloading of this category of merchandise is our primary concern.
- The Transportation of Dangerous Goods Act requires that hazardous freight be properly packaged, labeled and properly described on the shipping document before it is offered for shipment.
- Failure to obey all applicable Transportation of Dangerous Goods Regulations can result in prosecution.
- HBC uses your description from Vendor shipping documents when we ship to our stores. Any penalties incurred by HBC as a result of your incorrect descriptions or omissions will be charged back.
- It is the responsibility of the Vendor or the shipper to supply the Transport Company with a hazardous material placard to display on the truck as required. It is the responsibility of the driver to ensure that such placards are displayed as required.
- No transport company will be allowed on HBC property with hazardous material not covered by a HBC purchase order.
- All Vendors must provide the HBC Supply Chain Manager with Material Safety Data Sheets (MSDS) for any hazardous product sold to HBC. It is the Vendors responsibility to provide the HBC Supply Chain Manager with current MSDS information. The vendor must ensure that the MSDS is updated every three years.
- All Vendors must provide MSDS for any hazardous product shipped to HBC Distribution Centers. The Shipper must update this information at least every three years.

Note: Current MSDS for any hazardous product shipped to the respective HBC DC must either accompany the hazardous product or be sent to the HBC DC in advance of shipment.



12 USA and Mexico Shipping Guidelines

12.1 U.S.A. Routing - Delivery Appointment Scheduling

For vendors using carriers designated by HBC (i.e. Collect POs), delivery appointments MUST be the following manner:

- Appointments must be scheduled 48 hours prior to pick up. In addition, to avoid any late compliance penalties, the appointment date into the DC must be on or before the "Not After Date". Vendors need to take into account transit time when setting pick up date
- Product must be available for pick-up on the date arranged. Merchandise not available when designated carrier arrives may result in compliance penalty.- Consolidate as much of the PO or multiple POs on a single appointment. Do not create multiple appointments each day or administration penalties will be applied
- Appointment cancellations or alterations must be made at least 24 hours before the expected carrier pick up time or will be subject to compliance charges.

For vendors using carriers not designated by HBC (i.e. Prepaid POs), delivery appointments MUST be executed in the following manner:

- Appointments must be scheduled by 2pm the day prior to the "Not After Date". Otherwise it will be considered late and subject to late shipping charges

12.2 Carrier Routing

For vendors using carriers designated by HBC (i.e. Collect POs), routing instructions will be provided via the "alerts" in our Inbound Management System at www.qlogitek.com. Vendors should always wait for routing instructions sent via the "IMS or email alerts" before shipping.

The general guideline to route all COLLECT shipments is as follows:

- Under 50 lbs via Purolator c/o UPS
- Over 51 lbs carrier will be determined by HBC
- YOU WILL BE HELD RESPONSIBLE FOR ANY ADDITIONAL FREIGHT CHARGES INCURRED DUE TO NON-COMPLIANCE OF THESE ROUTING INSTRUCTIONS.

HBC is not responsible for routing and freight charges related to all other POs (i.e. Prepaid POs)

12.3 Customs Clearance

For vendors using carriers designated by HBC (i.e Collect POs), all shipments entering Canada must have the following:

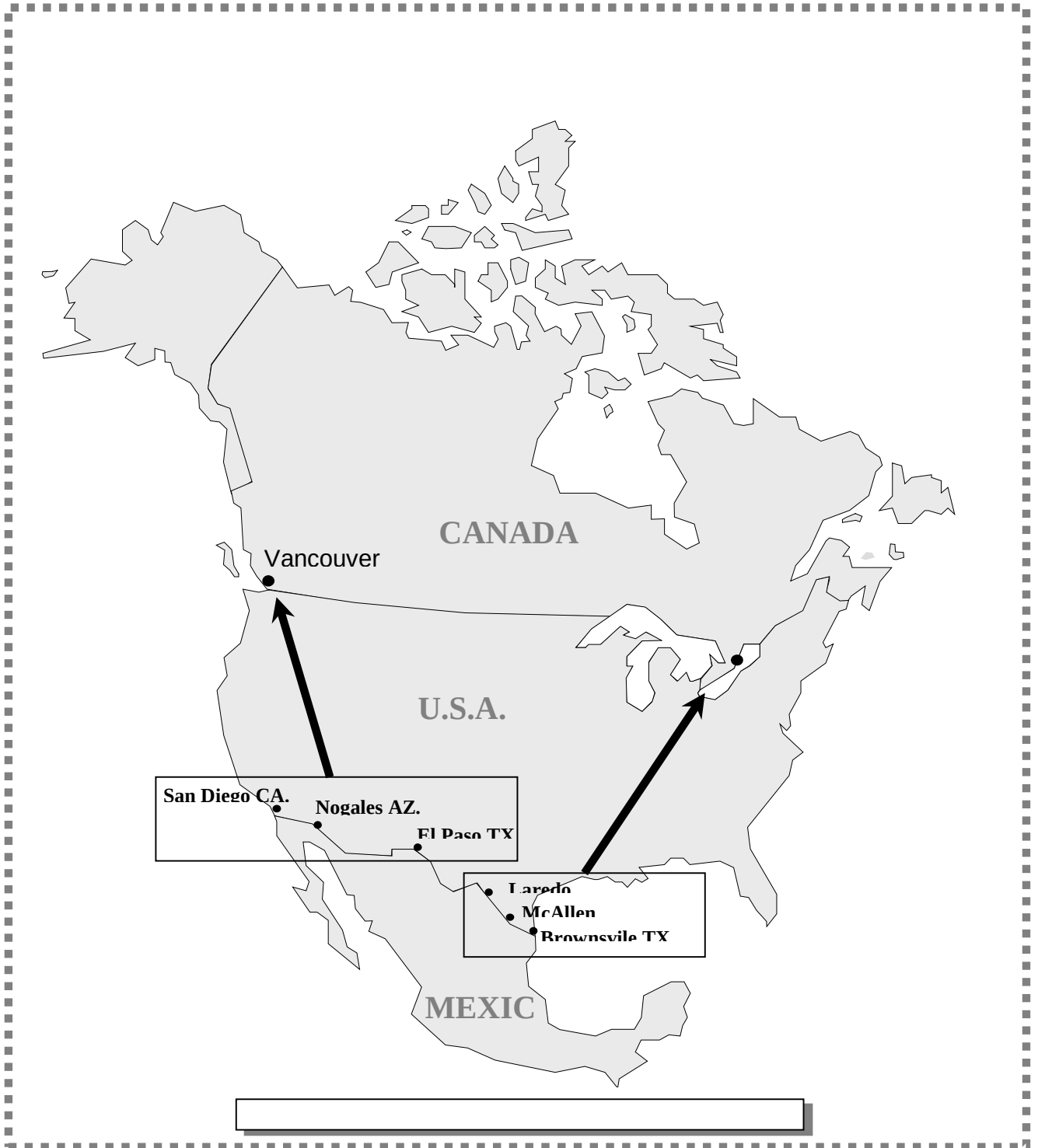
- Canada Customs Invoices
- Commercial Invoice
- Packing Lists
- NAFTA Certificate of Origin, if applicable

One set of documents must accompany the shipment; one set must be faxed to HBC Import Logistics at 416-861-6911.

Our customs broker is UPS-SCS (905) 677-6735 or (800) 387-4885.

For vendors not using carriers designated by HBC (i.e. Prepaid POs), HBC will not be responsible for Canadian custom clearance on most PREPAID freight and will not forward our Business Number or HBC broker's information.

If you need to contact HBC Logistics, please e-mail HBC.freight.management@HBC.com.





12.4 Routing For Mexican Shipments

12.4.1 Mexican Routing

FOB Points:

Goods from Mexico are either purchase FOB Mexico or FOB:

- Brownsville, Texas
- McAllen, Texas
- Laredo, Texas
- El Paso, Texas
- Nogales, Az.
- or, San Diego, Ca.

12.4.2 Carrier

Contact HBC Logistics for correct carrier routing at e-mail HBC.freight.management@HBC.com.

Shipment Advance Notice: A minimum of five days' notice is required. Any less notice will not be able to guarantee the availability of transportation when and where you require it.

12.4.3 Shipment Details

Purchase Order(s)

Number of cartons per purchase order

Merchandise classification

Cartons per destination

Cubic feet of shipment per destination

Weight per destination

Availability date(s)

Pick-Up location(s)

12.4.4 Documentation Requirements

Imports from Mexico destined to Canada must clear U.S. Customs (Temporary Entry, Vendor arranges if the term is FOB U.S. Border City). After clearance goods must be delivered to the nominated carrier's terminal of the FOB City. Vendor will provide:

- Legal commercial invoice
- Shippers Export declaration
- Packing List
- Canada Customs Invoice
- NAFTA Certificate of Origin

For further information, please contact HBC Logistics, by e-mail – hbc.freight.management@hbc.com

12.5 North American Free Trade Agreement



- Be sure the goods meet the Rules of Origin
- Have the NAFTA Certificate of Origin carefully completed

Please review the following

12.6 North American Free Trade Agreement – Rules of Origin

12.6.1 What is the purpose of rules of origins?

We need rules of origin to provide objective criteria for determining whether or not goods are eligible for the benefits that NAFTA provides. Sometimes it's obvious whether or not a product originates in a particular country. For instance, if paper is made in Canada from Canadian trees, the paper obviously originates in Canada. However, if envelopes are folded in Canada from paper made in Brazil, the country of origin is questionable. The NAFTA rules of origin provide a precise answer to such questions.

At the end of this publication, we provide a step-by-step guide that explains how to determine whether or not a good originates in a NAFTA country.

12.6.2 How do goods qualify as originating?

To be considered an originating good, the good must meet one of the five requirements set out in the NAFTA rules of origin.

These five ways to qualify as originating under the rules of origin are as follows:

- a good is considered originating if goods is wholly obtained or produced in a NAFTA country (include those goods that are entirely grown, fished, or mined in a member country - it does not include goods purchased in a NAFTA country that were imported from a non-NAFTA country);
- a good is considered originating if that good made up entirely of components and materials that qualify in their own right as goods that originate in a NAFTA country;
- a good is considered originating if that good meets the requirements of a specific rule of origin for that product, as listed in NAFTA Annex 401;
- a good is considered originating if that good qualifies under NAFTA article 401(d), which only applies to a few cases; and
- a good is considered originating if it is automatic data processing equipment or parts qualifying under the provisions of Annex 308.1.

Of these five qualifications, the most common is the third, which applies to a good that includes any non-originating materials in its production.

12.6.3 What are non-originating materials?

The non-originating materials used to produce the good are those materials or components that would not qualify as originating under the NAFTA rules of origin.

Non-originating materials are:

Materials or components you import from a non-NAFTA country; or materials produced in a NAFTA country but, because of the high level of offshore input used to produce them, do not meet the rule of origin.

Note: You have to treat any material of unknown or unconfirmed origin as a non-originating material.

12.6.4 How do the specific rules of origin work?

NAFTA provides a specific rule of origin for every type of good that incorporates non-originating materials. In many cases, two different rules may apply to a good, and the good may qualify under either rule. Generally, a good qualifies as originating in one of the NAFTA countries if its last place of manufacture was within the NAFTA territory, and if the manufacturing process resulted in significant changes in all of the components or materials not of Canadian, United States, or Mexican origin. To test whether a significant change has occurred, we use a tariff classification change test. When a product is transformed from all materials and components used into the finished good, there is a resulting change from the tariff classifications of the materials and components to that of the finished good.

12.6.5 Harmonized System (HS) of tariff classification

A good's specific rule of origin is based on its tariff classification under the Harmonized System (HS). The HS organizes products according to the degree of manufacture, and assigns them a classification number. It is arranged into 97 chapters covering all products. Each chapter is divided into headings, subheadings, and tariff item.

Chapter 95 Toys, games, and sports requisites

Heading 95.04 Table or parlour & games

Subheading 9504.20 Articles and accessories for billiards

Tariff Item 9504.20.21 Billiard tables

9504.20.21

As shown above, headings are identified with a four-digit number, subheadings with a six-digit number, and tariff items with an eight-digit number. As you can see, subheadings give a more specific description than headings, and tariff items give a more specific description than subheadings. The term 'harmonized system' refers to the fact that the chapter, heading, and subheading numbers for any good are identical in any country using the HS. Please note, however, that the final two digits of the tariff items are not harmonized – they are individually assigned by each importing country.

Example:

All tomato sauces are classified in the HS subheading 2103.20, regardless of the country of import. However, tomato ketchup is specifically classified by tariff item 2103.20.10 in Canada, 2103.20.40 in the United States, and 2103.20.01 in Mexico.

The specific rules of origin in NAFTA Annex 401 are organized using the HS classification numbers. Therefore, once you have determined the HS classification of the good, use that classification to find the specific rule of origin in Annex 401 that applies. If the good meets the requirements of the rule of origin, it is an originating good.

12.6.6 HS Classification Change

Most of the specific rules of origin require a certain HS classification change from the non-originating materials to the finished good. This change must be a result of production in one or more of the NAFTA countries.

Example

Orange marmalade is classified under heading 20.07. Fresh oranges are classified under heading 08.05. The specific rule of origin for orange marmalade requires a chapter change. If fresh oranges from Brazil are formed into orange marmalade in the United States, the orange marmalade is an originating good, because a change from chapter 08 to chapter 20 has occurred.

In most cases, the only requirement of a rule of origin will be an HS classification change specified by Annex 401. Therefore, to determine whether a good qualifies as an originating good under NAFTA, after looking up the specific rule of origin, exporters or producers will need to know only the HS classification of the good, and the HS classification of any non-originating materials.

12.6.7 Regional Value Content (RVC) Test

Sometimes a specific rule of origin will require you to meet an additional requirement for a good to qualify. Usually, this additional requirement tests the good's regional value content

(RVC), which requires that a certain percentage of the good's value has to originate in a NAFTA country.

For example, some rules may specify that a good must have at least 65% RVC. To qualify for originating status under the NAFTA, therefore, you have to demonstrate that at least 65% of the good's value originated in Canada, the United States, or Mexico.

If a rule requires an HS classification change and an RVC test, the good has to meet both of these requirements to be originating good.

For many manufactured items, NAFTA provides two alternative specific rules of origin. The first requires only an HS classification change. The second requires a lesser degree of HS classification change, such as a changed of subheading instead of heading, but also requires an RVC test.

Example

Powdered laundry soap is classified in subheading 3401.20. Annex 401 provides two specific rules of origin for this product. For instance, if imported fatty acids (classified in chapter 15) are transformed into powdered laundry soap, this is sufficient for the powdered soap to be considered as originating goods.

However, if laundry soap is imported into North America in solid form and transformed into powdered laundry soap, it can only be considered an originating good if a certain percentage of the final good's value is added in North America.

Calculating Regional Value Content (RVC)

NAFTA provides two alternative formulas exporters or producers can use to calculate the regional value content (RVC) of their goods:

- the transaction value method; and
- the net cost method.

In most cases, exporters or producers can choose either method.

Transaction Value Method

Under the transaction value method, exporters or producers have to subtract the value of any non-originating material used to produce the good from the actual price paid for the good. In most cases, the value of a non-originating material is the total amount is costs producers to purchase the material and get it to the production site.

Then, exporters or producers have to divide the difference by the price, and convert the result to a percentage to get the RVC.

The formula is as follows:

$$\frac{\text{Transaction Value} - \text{Value of Non - Origination Materials}}{\text{Transaction Value}} \times 100 = RCVT$$

In most cases, if exporters or producers use the transaction value method, the specific rule or origin will require that the RVC for an originating good must be at least 60%.

Transaction Value

$$\frac{\$100 - \$30}{\$100} \times 100 = 70\%$$

Therefore, using the transaction value method, the RVC of the good is 70%.

Note

The RVC percentage is only relevant if the production results in the necessary HS classification change and the specific rule of origin that applies requires an RVC.

In the following circumstances, exporters or producers cannot use the transaction value method, so they have to apply the net cost method:

- the good has no transaction value (e.g. barter);
- the transaction value of the good is unacceptable under the Customs Valuation Code;
- related party transactions where the majority of the producer's sales are to related parties;
- the goods being imported are certain motor vehicles or automotive parts; and
- the goods being imported are footwear or word processing machines.

Exporters or producers who are not sure whether they can use the transaction value method should call a Revenue Canada Customs Regional Office.

Net Cost Method

Under the net cost method, exporters or producers have to subtract the value of non-originating materials used to produce the finished good from the net cost of the good. In most cases, the value of a non-originating material is the total amount it costs producers to purchase the material and get it to the production site.

Then, exporters or producers have to divide the difference by the transaction value, and convert the result to a percentage to get the RVC.

The net cost formula is as follows:

$$\frac{\text{Net Cost} - \text{Value of Non - Originating Materials}}{\text{Transaction Value}} \times 100 = RCVT$$

In most cases, if exporters or producers use the net cost method, the specific rule of origin will require that the RVC for an originating good must be at least 50%.

Determining the Net Cost of a Good

To determine the net cost of a good, begin with all the costs of producing the good, and then subtract any cost that are specifically excluded.

Specifically excluded costs are costs for:

- Sales promotion and marketing;
- After-sales service;
- Royalties;
- Shipping and packing costs, and
- Non-allowable interest costs.

Example

A producer sells goods for \$100 but is not sure whether this price is acceptable under the Customs Valuation Code. The producer chooses to use the net cost method. The value of non-originating materials is \$30.

Using the net cost method, the producer has to calculate as follows:

Step 1

The total cost of the good is \$90. Sales, shipping, and royalty costs that can be allocated to the good are \$10. Therefore, the net cost of the good is \$80.

Step 2

$$\frac{\text{Net Cost} - \text{Value of Non - Originating Materials}}{\text{Transaction Value}} \times 100 = RCVT$$

$$\frac{\$80 - \$30}{\$100} \times 100 = 50\%$$

Therefore, using the net cost method, the RVC of the good is 50.

Note

The RVC percentage is only relevant if the production results in the necessary HS classification change and the specific rule of origin that applies requires an RVC.

Changing the method of RVC calculation

If exporters or producers select the transaction value method, and they are advised by Customs that the transaction value of the good (or the value of any material used to produce the good) is unacceptable or needs to be adjusted, they can choose to use the net cost method.

However, if they select the net cost method initially and the results are unfavorable, they cannot switch to the transaction value method.

12.6.8 Special Options

These are additional rules of origin that exporters or producers can use if their goods fail to qualify under the specific rules of origin.

De minimis exception to HS classification change requirement

NAFTA provides relief when a good does not qualify as an originating good only because some non-originating material of little value fails to meet an HS classification change requirement. If the value of the non-originating question is no more than 7% of the value of the good, the good is considered an original good.

Example

A good uses two materials, A and B, and both are non-originating materials. As a result of its transformation into the finished good, A makes the required HS classification change, but B does not. Because B does not make the required change, the finished good will not qualify unless the value of B is no more than 7% of the good's value.

Please note that the test only considers whether the non-originating material that does not meet the HS classification change is not more than 7% of the total value. As a general rule, a good can incorporate any amount of non-originating material and still be an originating good, as long as these materials meet the required HS classification change for the finished product. In many cases, the de minimis exception to HS change cannot be used. Contact Customs Officials to determine whether or not the de minimis exception can be used.

De minimis exception to RVC requirement

A producer of a good that is subject to an RVC requirement can disregard that requirement if the value of all non-originating materials in that good is less than 7% of the transaction value of the good.

12.6.9 Accumulation

A good may be produced partly in one NAFTA country, and completed in another. To determine whether a good meets an HS classification change or a RVC test, treat the production done in both countries as if it occurred in one.

A producer may only accumulate their supplier's production costs if the supplier is willing to provide supporting documentation regarding their North American costs.

Example

An American yacht producer calculates RVC and finds that the yachts produced have only 53% RVC under the transaction value method, and 44% under the net cost method. However, the yacht's engine, which is a



\$25,000 non-originating material, was supplied by a producer in Canada. The Engine producer gives the yacht producer a letter stating that, although the engine is not an originating material, \$8,000 of the engine's value was incurred in North America.

With this information, the yacht producer can accumulate the \$8,000 as part of the North American Content of the yacht. With this additional \$8,000 North American content, the yachts might satisfy the minimum RV requirement (the net cost method has to be used with accumulation).

12.7 Step-by-Step Guide to Determining a Good's Origin

To determine whether a good qualifies as originating good under the NAFTA rules of origin, follow these steps.

Step 1

Was the good last processed in one of the NAFTA countries?

If yes, go to Step 2.

If no, the good does not qualify.

Step 2

Do any of the materials or components used in the good come from outside Canada, the United States, or Mexico, or otherwise do not qualify as originating materials under the NAFTA rules of origin?

If yes, go to Step 3.

(If you do not know the origin of any of the material, you have to assume it does not Originate in a NAFTA country.)

If no, the good qualifies.

Go to Step 9.

Step 3

Determine the HS classification number of the good being imported into Canada. Usually, the six-digit, subheading level is sufficient.

Step 4

Using the HS classification number, identify the specific rule or rules of origin in Annex 401 that apply to the good.

If two rules apply, you must meet one of them. One rule may require only an HS classification change, whereas the other requires an HS classification change and an RVC test. Select the rule that is most appropriate for the non-originating materials used in the production of your goods.

Step 5

Determine the HS classification of the non-originating materials or components you use to produce the good in a NAFTA Country.

Step 6

Does the change from the HS classification of the non-originating materials to the HS classification of good imported into Canada meet the HS classification change required in the specific rule or rules of origin you identified in Step 4?

If yes, the HS classification change requirement is met.

Go to Step 7.

If no, the good does not qualify, unless it falls under certain exemptions. If the value of the non-originating materials that do not meet the HS classification change requirement is not more than 7% of the value of the good, the de minimis exemption may apply, and the good may qualify as an originating good, if it meets all other requirements of the rule of origin.



Step 7

Does the specific rule also contain a RVC test?

If no, and the HS classification change requirement is met, the good qualifies as an originating goods.

Go to Step 9.

If yes, choose whether to use the transaction value method or the net cost method.

Be careful! Be sure you are eligible to use the transaction value method before you select it. In particular, be sure that the price paid for the good is acceptable under the principles of the Customs Valuation Code. If there is any doubt, contact your Customs regional office or use the net cost method. Please note that for certain types of good you can only use the net cost method.

Step 8 (a)

Transaction Value Method

Determine the actual price paid for the good and value of the non-originating materials used to produce it. Using the transaction value formula, calculate the RVC percentage.

If the RVC percentage is equal to or more than the minimum percentage set out in the specific rule of origin for transaction value calculations, the good qualifies as an originating good, as long as you meet all other requirements of the rule.

Go to Step 9.

If the percentage is less than the set minimum, try using the net cost method.

Step 8 (b)

Net Cost Method

To determine the net cost of the good, deduct the specifically excluded costs from the total cost of the good. Then, determine the value of the non-originating materials and components. Using the net cost formula, calculate the RVC percentage.

If the RVC percentage is equal to or more than the minimum percentage set out in the specific rule for net cost calculations, the good qualifies as an originating good, as long as the good meets all other requirement of the rule.

Go to Step 9.

If the percentage is less than the NAFTA minimum, try using the accumulation rule to see if you can increase your regional value content by counting your North American suppliers' costs as your own. If you are still below the set minimum, the good does not qualify.

Step 9

Complete a Certificate of Origin Form if the good is an originating good.

12.8 North American Free Trade Agreement

12.8.1 Instructions

If reduced duty under NAFTA is to be claimed, the Exporter must complete the Certificate of Origin.

- State the full legal name, address, country and tax identification number
- In certain circumstances of repetitive shipments from the same vendor, it may be possible to complete a blanket certificate. The maximum term of a blanket certificate is 12 months.
- State the full legal name, address, country and tax identification of the producer. If the producer and the exporter are the same, complete field with "SAME".
- Complete with Zellers' full legal name, address, country and tax identification number.
- Describe the goods fully. If the certificate covers more than one article, a complete description of each article is required.
- For each good described in Field 5, identify the HS tariff classification to six digits.
- For each good described in Field 5, state which criterion (A through F0) is applicable. Note: In order to be entitled to reduction in duty, each good must meet at least one of the criteria below.

12.8.2 Preference Criteria

- The good is "wholly or produced entirely" in the territory of one or more of the NAFTA countries. This criterion is applicable to primary goods only, i.e. minerals, agricultural goods, etc.
- The good is produced entirely in the territory of one or more of the NAFTA countries and satisfies the specific rule of origin, set out in Annex 401 that applies to its tariff classification.
- The good is produced entirely in the territory of one or more of the NAFTA countries from originating materials.
- Goods do not meet the applicable rule of origin because certain non-originating materials do not undergo the required change in tariff classification. The goods do nonetheless meet the regional value content requirement. This criteria is limited to the following two circumstances:
- The good is imported in an unassembled or disassembled form but was classified as an assembled good.
- The good incorporated non-originating materials, provided for as parts under the HS, which could not undergo a change in tariff classification because the heading provided for both the good and its parts.
- For each good described in Field 5, state "YES" if you are the producer of the good. If you are not the producer of the good, state "NO" followed by (1), (2), or (3) depending on whether this certificate was based upon: (1) your knowledge of whether the good qualifies as an originating good; (2) your reliance on the producer's written representation (other than a Certificate of Origin) that the good qualifies as an originating good; or (3) a completed and signed Certificate for the good, voluntarily provided to the exporter by the producer.
- For each good described in Field 5, where the good is subject to a regional value content (RVC) requirement, indicate "NC" if the RVC is calculated according to the net cost method; otherwise, indicate "NO".
- Identify the name of the country ("CA", "US" or "MX") to which the preferential rate or customs duty applies.
- For the certificate to be valid, this field must be completed, signed and dated by the exporter.



Revenue Canada Revenu Canada
Customs, Excise and Taxation Accise, Douanes et Impôt

Please Print or Type

Figure 12 A : North American Free Trade Agreement CERTIFICATE OF ORIGIN (Instructions Attached)

1 Exporter's Name and Address: U.S.A. Production 567 Long Avenue Buffalo, New York 14207 Tax Identification Number:	2 Blanket Period: From <table border="1"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td></tr><tr><td>0</td><td>1</td><td>0</td><td>1</td><td>0</td><td>6</td></tr></table> To <table border="1"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td></tr><tr><td>3</td><td>1</td><td>1</td><td>2</td><td>0</td><td>6</td></tr></table>	D	D	M	M	Y	Y	0	1	0	1	0	6	D	D	M	M	Y	Y	3	1	1	2	0	6
D	D	M	M	Y	Y																				
0	1	0	1	0	6																				
D	D	M	M	Y	Y																				
3	1	1	2	0	6																				
3 Producer's Name and Address: "SAME" Tax Identification Number:	4 Importer's Name and Address: Tax Identification Number:																								

5	6	7	8	9	10
Description of Good(s)	HS Tariff Classification Number	Preferences Criterion	Producer	Net Cost	Country of Origin
Men's Track Suits 100% cotton woven	6211.11	C	YES	NO	US
Men's 100% cotton woven shirts	6205.20	C	YES	NO	US

11 I certify that: the information on this document is true and accurate and I assume the responsibility for Providing such representation. I understand that I am liable for any false statements or material omissions made on or in connection with this document; I agree to maintain, and present upon request, documentation necessary to support this Certificate, and to inform, In writing, all persons to whom the Certificate was given of any changes that would affect the accuracy of this Certificate; the goods originated in the territory of one or more of the Parties, and comply with the origin requirements specified for those goods in the North American Free Trade Agreement, and unless specifically exempted in Article 411 or Annex 401, there has been no further production of any other operation outside the territories of the Parties; and this Certificate consists of pages, including all attachments.

Authorized Signature:	Company: U.S.A. Production						
Name: John Doe	Title: Vice-President						
Date: (DD/MM/YY): <table border="1"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>							Peophone: Fax:

**North American Free Trade Agreement
CERTIFICATE OF ORIGIN
(Instructions Attached)**

Please Print or Type

1 Exporter's Name and Address:	2 Blanket Period: From <table border="1"><tr><td>DD</td><td>MM</td><td>YY</td></tr><tr><td></td><td></td><td></td></tr></table> To <table border="1"><tr><td>DD</td><td>MM</td><td>YY</td></tr><tr><td></td><td></td><td></td></tr></table>	DD	MM	YY				DD	MM	YY			
		DD	MM	YY									
DD	MM	YY											
Tax Identification Number:													
3 Producer's Name and Address:	4 Importer's Name and Address:												
Tax Identification Number:	Tax Identification Number:												

5	6	7	8	9	10
Description of Good(s)	HS Tariff Classification Number	Preferences Criterion	Producer	Net Cost	Country of Origin

11 I certify that: the information on this document is true and accurate and I assume the responsibility for Providing such representation. I understand that I am liable for any false statements or material omissions made on or in connection with this document; I agree to maintain, and present upon request, documentation necessary to support this Certificate, and to inform, In writing, all persons to whom the Certificate was given of any changes that would affect the accuracy of this Certificate; the goods originated in the territory of one or more of the Parties, and comply with the origin requirements specified for those goods in the North American Free Trade Agreement, and unless specifically exempted in Article 411 or Annex 401, there has been no further production of any other operation outside the territories of the Parties; and this Certificate consists of ____ pages, including all attachments.
--

Authorized Signature:	Company:										
Name:	Title:										
Date: (DD/MM/YY): <table border="1"><tr><td></td><td></td><td></td><td></td><td></td></tr></table>						Pephone: <table border="1"><tr><td></td><td></td><td></td><td></td><td></td></tr></table>					
	Fax: <table border="1"><tr><td></td><td></td><td></td><td></td><td></td></tr></table>										



12.9 Hand Baggage Procedure

When returning from a store shopping or buying trip with samples of merchandise, it must be declared to Canada Customs upon re-entry into Canada. Failure to do so could seriously impede future imports for our company as well as result in a smuggling charge being levied against the offender.

DO NOT DAMAGE! THERE IS NO ADVANTAGE. Samples are dutiable. All apparel or textile items, including damaged samples, require permits.

Documentation

The Customs Clearance Sample Control Docket must be completed. Sample Control Dockets do not have to be broken by country.

Customs Clearance:

- All clothing and textile items require a permit; if no permit is obtained prior to arrival, then hand baggage must be left with Canada Customs.
- Make sure that all hand baggage is properly locked.
- Do not leave the Customs Clearance Sample Control Dockets in the side pocket of the hand baggage as the bags are sealed by Customs for protection.
- Obtain a "baggage claim tag" from the Customs Agent. Provide your name on both the claim tags. Attach one to the bag and retain a copy.
- Forward the Sample Control Dockets with the claim tag to Mui-Ming Chow, HBC Import Logistics, on the 10th Floor, 401 Bay St., as soon as you arrive back in the office. Upon receiving required documentation, arrangements will be made for a broker to clear the hand baggage.
- Please keep a copy of the Sample Control Dockets.

12.9.1 Clearance at Time of Arrival

Complete Sample Control Dockets

Fax the following at least one business day (especially for clothing bags) before arrival to

UPS-SCS, Attention: Manny Linhares Tel: (905) 678-3893 Fax : (905) 677-3122

The Sample Control Dockets

Airline Name

Flight No.

Time of arrival

City of departure

Terminal of arrival

12.9.2 Import Department Contacts

Name	Telephone
Mui-Ming Chow	(905) 792-5469
Mike Wong	(905) 792-5468
Helene Guinan	(905) 792-5489



13 HBC Compliance Program

HBC's goal is to receive purchase orders on time, filled complete, problem-free with the product ready for sales floor display. HBC expects that shipments will require a minimum of time and handling in our Distribution Centers, in order to efficiently expedite your product to our customers. Our vendor compliance program is designed to address issues with on time performance, incomplete order fulfillment, speed to market and sales floor ready product.

NOTE: A VENDOR HAS UP TO 60 DAYS TO DISPUTE A COMPLIANCE CHARGE

13.1 On Time Performance Program

Late Shipping (Vendor Requested Order Extensions)

- Deduction is up to 15% of PO cost
 - A maximum penalty of \$10,000 will be applied for late shipping unless the maximum ceiling is waived at the discretion of the buying office.
 - A discount of the cost of the PO is taken when the Not After Date (NAD) for the shipping window is moved out at the vendor's request. The penalty is applied at the PO level not the shipment level
 - These deductions can be applied through 2 processes:
 - POCN or communication submitted to the buyer requesting an extension to the NAD. The Buyer can choose to approve the extension request and will apply the penalty if appropriate
 - Appointment request submitted where product will arrive at our DC past the NAD. These charges will automatically be applied by the appointment scheduling office as these requests are last minute extensions.
- Note:** HBC cannot accept orders after the NAD. In the event that the order is extended by the appointment scheduling office, the vendor will receive an EDI 860 showing the date change and the late shipping penalty.
- If the vendor has a question regarding a Late Shipping deduction, they must call 1-800-521-2366 to obtain a ticket # for investigation.
 - The vendor must provide details with a valid reason and supporting documentation.

Late Booking (LB code 995)

- Deduction is \$250 per PO occurrence
- This deduction is applied when a vendor does not submit an appointment request until AFTER the start of the shipping window. The penalty is not applied to orders generated by our automatic replenishment system
- HBC requires the vendor to submit their appointment request 7 calendar days prior to the Not Before Date. The penalty will only be applied in the event that the vendor has not submitted an appointment request prior to the start of the ship window.
- Vendor will receive both email and alert notifications from the appointment scheduling system starting 5 days prior to the NBD if an appointment has not been scheduled
- If a vendor has a question regarding a Late Booking deduction, they must send the details to compliance.inquiries@HBC.com

Early, Late or Missed Appointments (VC code 16)

- Deduction is \$250 per appointment occurrence within a 2 hour window of the appointment
- Deduction is \$500 per appointment if the appointment is delivered on a day other than the scheduled day. If a missed date brings the order passed the required in dc date late penalties may be applied.
- Deduction is applied when the vendor is late or does not show up for the scheduled appointment
- Does not apply to HBC Fleet program
- If a vendor has a question regarding a late or missed appointment deduction, they must send the details to compliance.inquiries@HBC.com
-

HBC Fleet Accessorial Charges – Shipment Not Ready for Pickup (\$75 handling charge applied per occurrence)

- Deduction is \$250 per appointment occurrence
- Deduction is applied when the vendor cancels the HBC scheduled pick up appointment less than 24 hours prior to the pickup date or HBC sends a trailer/carrier to pick up shipment and are turned away because product is not ready for shipping



- **Note:** If a vendor has a question regarding a fleet accessorial deduction, they must send the details to hbc.fleet.invoicing@hbc.com

Trailer Detention

- Deduction is \$75 per hour with hours rolled up to the next hour
- Deduction is applied when the HBC designated carrier arrives for pick up and is forced to wait beyond a normal waiting/loading time
- **Note:** If a vendor has a question regarding a trailer detention deduction, they must send the details to hbc.fleet.invoicing@hbc.com

13.2 EDI 810 Invoices

- Deduction is applied for invoices requiring processing outside the standard edi 810 process.
- Deduction is \$50 per purchase order / asn
- A minimum charge of \$250 will be applied

13.3 Incomplete Order Fulfilment Program

Fill Rate (DR code 997)

- **Deduction is 10% of missing goods at cost on all PO's that were below 95% for a fiscal period. Effective February 2, 2014 there will be a minimum charge of \$100 applied to all fill rate charges. Any charges calculated below a value of \$25 (before minimum) will not be applied.**
- Fill rate deductions are applied to all PO's that do not meet HBC's 95% threshold for our AR program or measurement of all other order types
- Fill rate measurement is based on actual received goods at retail vs the amount ordered at retail as this directly relates to sales.
- If a vendor has a question regarding a fill rate deduction, they must contact Compliance Inquiries at compliance.inquiries@HBC.com
- The vendor must provide details with a valid reason and supporting documentation.

Inaccurate ASN (VC code 36, 37, 42, 118, 993, 999)

- **Deduction is \$500 per appointment occurrence**
- Inaccurate ASN deduction is applied when the ASN quantities does not physically match the quantities shipped causing an over/shortage discrepancy
- Shortage measurement can occur from 2 sources at the DC:
 - o Carton sent on the ASN is not delivered with the shipment
 - o Overage/shortage is found during our random quality assurance audits

**13.4 Speed to Market Program**

Issues Impeding Fast and Efficient Flow of Shipments (coded VC)

- Deduction is \$10 per carton an equivalent per unit rate to correct the issue
- A minimum of \$250 will applied
- VC deductions are applied at HBC DCs

VC Code	Description	VC Code	Description
10	PREMIUM ROUTING	62	ASN UNUSABLE-DUPLICATE BOL
11	SKIDS SCRAP/TOO HIGH/OVERHANG	63	ASN ERRORS-INVALID UPC
12	MERCHANDISE FLOOR LOADED	66	BOL DOES NOT HAVE PO#
13	WRONG SHIP PACK/FACTORY PACK(BULK ORDERS)	69	INCORRECT PIECE COUNT
15	DAMAGED CONTAINERS	70	ASN ERRORS-STORE NOT ON PO DISTRO
30	NO/INCORRECT PO ON PS	71	ASN UNUSABLE- EDI TRANSLATOR REJECTS
33	BOL DOES NOT HAVE AN APPT #	72	ASN LOAD UPC/STYLE NOT ON PO-STORE
39	INCORRECT/MISSING SKU	73	ASN LOAD TOTAL QTY OVER PO QTY
40	UPC NOT FOUND ON IN SYSTEM/PO/CATALOGUE	74	ASN ERRORS- BAD PO,STR,DEPT,DC #
41	NO STORE NAME / # ON UCC128	76	ASN LATE FOR SCHEDULED APPT
43	INCORRECT STORE NAME ON UCC128 LABEL	78	NO ASN
46	NO HUMAN READABLE SKU ON CARTON	100	UNUSABLE UCC128 BARCODE LABEL- NO ASN
48	EXCESSIVE PACKING MATERIALS	102	NO/WRONG- PRODUCT DESCRIPTION ON UCC 128
51	DID NOT SHIP ORDERS AS PER APPT	104	INCORRECT UCC 128 LABEL FORMAT- FONT SIZE
52	MIXED SKUS ON SKID	108	INCORRECT BOL ON ASN
53	NO/INCORRECT PO ON CARTONS	113	INSUFFICIENT PACKAGING
54	UCC128 LABEL NOT SCANNABLE	115	SKU DIMENSIONS INACCURATE ON ASN
55	INCORRECT / NO DC #, DEPT, ON UCC-128	116	NO SKU/DIM/STYLE ON LABEL
56	NO UCC 128 LABEL ON CONTAINER	117	NO PO# ON UCC128 LABEL
57	CONTAINER BAR CODE # INCORRECT	120	INTERRUPTION OF FLOW OF MERCHANDISE
58	UCC 128 LABEL ON WRONG SURFACE	121	MISDIRECTED MERCHANDISE-NOT L& T
59	NO/UNUSABLE ASN AT TIME OF PROCESSING	123	MULTIPLE BAR-CODE ON UCC 128 LABEL
60	ASN ERRORS-INCORR OR DUP CTN SER	130	CARRIER LABEL USED AS UCC128
61	ASN UNUSABLE-INCCORECT CTN COUNT	998	MISCELLANEOUS PROBLEM



13.5 Floor Ready Program

Issues creating re-work of product either at the dc or the stores before the product can be put out on the sales floor.

- Deduction is a per unit rate to correct the issue as noted below.
- A minimum charge of \$250 will be applied
- VC deductions are applied at HBC DCs and from our check stores

VC Code	Description	Rate to correct
28	NO UPC ON MERCHANDISE	\$2 per unit, min \$250
29	UPC barcode WILL NOT SCAN	\$2 per unit, min \$250
32	INCORRECT UPC	\$2 per unit, min \$250
34	COLOUR / SIZE DISCREPANCY	\$2 per unit, min \$250
35	SUBSTANDARD QUALITY	\$2 per unit, min \$250
44	INCORRECT RETAIL ON MERCHANDISE	\$2 per unit, min \$250
45	WRONG COMPANY ON RETAIL TICKET	\$2 per unit, min \$250
47	NO RETAIL TICKET ON MERCHANDISE	\$2 per unit, min \$250
64	HANGERS INCLUDED BUT NOT ON GARMENTS	\$2 per unit, min \$250
65	NO HANGER OR INCORRECT HANGER USED	\$2 per unit, min \$250
68	WRONG TICKET PLACEMENT/ INCORRECT TAG	\$2 per unit, min \$250
75	MERCHANDISE NOT UPC MARKED	\$2 per unit, min \$250
106	UPC NOT ON GXS CATALOG	\$250
107	DOES NOT PROVIDE EDI INVOICES	\$250
328	OTHER TICKET PROBLEMS	\$2 per unit, min \$250

Details of these deductions can viewed in the compliance section of our appointment scheduling system (IMS). Questions regarding these charges can be directed to compliance.inquiries@HBC.com directly. A ticket is not necessary to request a review or ask questions related to the deduction.

13.6 Internet Standards

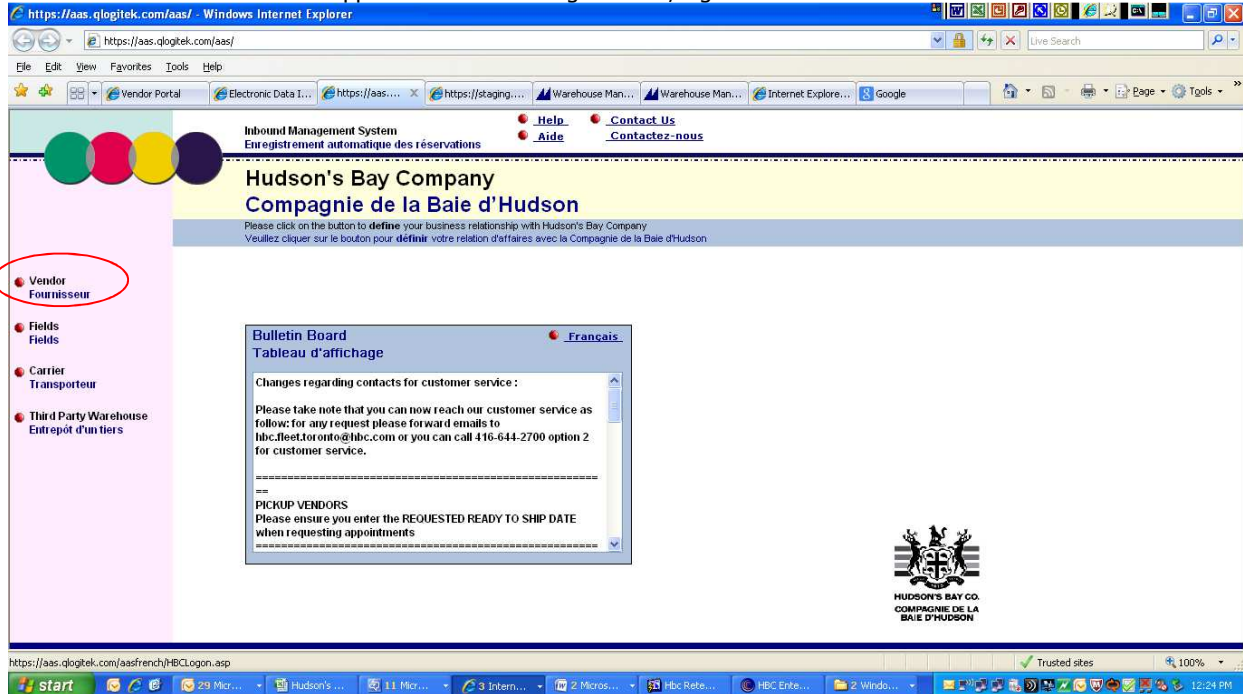
Issues creating additional work for sorting and packing in our Internet Store (1963).

VC Code	Description	Rate to Correct
132	NO GTIN (UPC) BARCODE ON POLYBAG	\$2 per unit, min \$250
133	MERCHANDISE NOT PACKED IN POLYBAG	\$2 per unit, min \$250
134	MERCHANDISE NOT PACKAGED AS AN INDIVIDUAL S/U	\$2 per unit, min \$250
135	POLYBAGS NOT SEALED/PROPERLY PACKED	\$2 per unit, min \$250
136	INTERRUPTION OF PROCESSING	\$2 per unit, min \$250
137	GTIN(UPC) BARCODE MISSING OR NOT VISIBLE	\$2 per unit, min \$250
138	GTIN(UPC) # ON GARMENT AND POLYBAG DO NOT MATCH	\$2 per unit, min \$250
139	VENDOR SHIPPING ON HANGERS	\$2 per unit, min \$250
140	PHOTO IMAGE NOT PROVIDED WITHIN GUIDELINES*	\$150 per sku
145	COPY NOT PROVIDED WITHIN GUIDELINES*	\$50 per sku
142	INTERRUPTION OF FLOW OF MERCHANDISE	\$2 per unit, min \$250

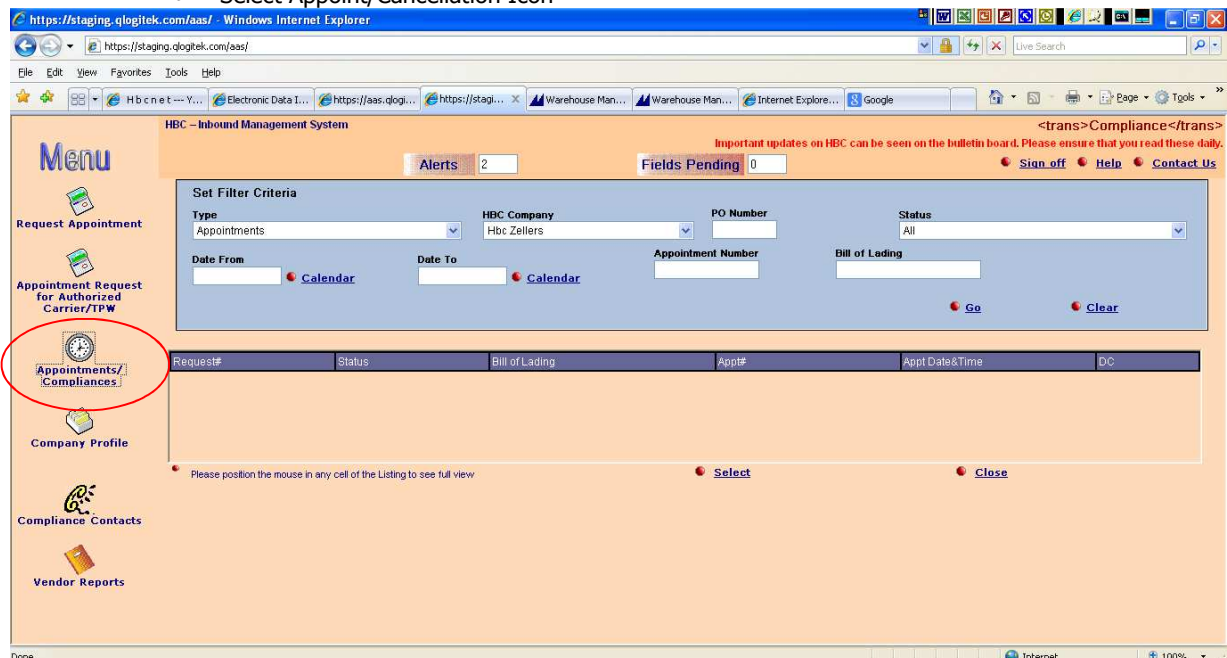
***Effective immediately with chargebacks issued 3/31/17**



- From the Appointment Scheduling Website, sign onto IMS.



- Select Appoint/Cancellation Icon





- From the drop down on "Type", select Compliance.

HBC – Inbound Management System

Alerts 2 Fields Pending 0

Set Filter Criteria

Type: Compliance HBC Company: Hbc Zellers PO Number: Appointment Number: Calendar

Request#	Status	Bill of Lading	Appt#	Appt Date&Time	DC
----------	--------	----------------	-------	----------------	----

Please position the mouse in any cell of the Listing to see full view

Select Close

- Select the appropriate banner, key in the PO number from the alert and click on "GO". If the vendor does not have the PO number, information can be viewed by entering a date range, clicking "GO" and selecting the appropriate Claim Number.

HBC – Inbound Management System

Alerts 2 Fields Pending 0

Set Filter Criteria

Type: Compliance HBC Company: The Bay PO Number: Date From: Date To: Calendar

PO Number	Claim Number	Compliance Date	Charge	DC	Web Appt	Auto Charge
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Please position the mouse in any cell of the Listing to see full view

Select Close

Once the claim or list of claims appears, the vendor can highlight any claim, click on "Select" and get all the details.

Late shipping penalties will show as Late Shipping in the vendor portal if the vendor is on EDI 810 invoicing or as a



short or discounted payment if the EDI 810 transaction is not yet initiated. The vendor must contact our Accounts Payable Hotline @ 1-800-521-2366 and obtain a ticket number. The Accounts Payable team will then forward the ticket number to the HBC Supplier Relationship Management for review and resolution.

13.7 Accounts Payable Deductions

Other deductions from account may be taken and the individual codes for the remittance that are shown in the portal are noted below. These are all accounts payable deductions in accordance with vendor agreement (MMVA) or as negotiated with the buying team. The vendor must contact our Accounts Payable Hotline @ 1-800-521-2366 and obtain a ticket number. These types of deductions are not related to our vendor compliance program and will be addressed by the Accounts Payable Team and/or the Merchant team. Do not direct these questions to the Compliance Team.

Accounts Payable Debit Memos/Claims/Deductions				
Naming Convention	Description		Naming Convention	Description
ACQ	Accept Vendor's Cheque		OVRYB	Overpayment/Pay /Bay
BTR/ZTR	Transportation/Logistics		PLA	Planogram Allowance/ Deduct/ Bay
D followed by Store #	Store Returns		PLA	Planogram Allowance/ Pay / Bay
DB581	Genco Return Bay		PMUB	Price Mark Up /Deduct /Bay
DBPF	Financing Bay		PMUB	Price Mark Up /Pay /Bay
DE/DO/DW	Wage Subsidy		RETRB	Retro Application of Allowance/Deduct/ Bay
Debit to Genco	Debit to Genco		RETRB	Retro Application of Allowance/Pay/ Bay
DM	Volume Rebate		RTWAB	Warehouse Allowance/ Deduct/Bay
DPB	Hold Back Provision Bay		RTWAB	Warehouse Allowance/ Pay/Bay
DPR & DPZ &CC	Audit - External / Deduct/ Bay		SAA	Mark Down Bay
DPR & DPZ &CC	Audit - External / Pay/ Bay		SPEC	Special Allowances/Deduct /Bay
IA	Audit Claim		SPEC	Special Allowances/Pay /Bay
NEWB	New Store /Deduct /Bay		STMT	Statement Audit/Deduct / Bay
NEWB	New Store /Pay /Bay		STMT	Statement Audit/Pay/ Bay
NSKUB	New Sku Listing /Deduct /Bay		TRSF	Transfer
NSKUB	New Sku Listing /Pay /Bay		Off Purchase Order Discounts	
OVRYB	Overpayment/ Deduct /-Bay		Warehouse, No Return Allowance	
*last updated 12/2012				



14 Major Home Fashion - Vendor Logistics/Shipping Manual

14.1 SELL-BUY/CONSIGNMENT Vendor Requirements

- Upon receipt of the PO, an HBC Home Appointment Request form should be emailed to HBC appointment team.
- The Vendor is committed to being able to have this merchandise ready for pick-up or delivery on the agreed-to date.
- The Vendor must be EDI compliant and provide labeling according to the EDI guidelines. Those approved not to be EDI compliant must ensure that the following Packing slip and Product Label_requirements are met for every merchandise shipment.
 - Packing Slip Requirement
 1. Purchase Order number
 2. HBC SKU number
 3. Style number
 4. Item description
 5. Quantity shipped
 - Product Label Requirement
 1. HBC SKU number (bar code where possible)
 2. Style number
 3. Size (including dimensions in cm and weight in kg)
 4. Item description

NOTE:

- HBC Home Distributors and the Vendor must work closely to ensure the available quantities on the system match the on-hand quantities.
- Delivery dates are confirmed with the customers at point of sale, therefore, the vendors must ensure the orders are shipped on time and complete.

14.2 Vendor Communication Responsibility

Provide a complete listing with phone numbers; fax numbers, and extensions of those people in your organization who will assist HBC Home in maintaining good communications. Copies of this list should be sent to:

- HBC Home Buyer
- HBC Home Planner
- HBC Home Logistics Distribution Centres (VLC, MLC, EBT, ADC,CRD)
- The Vendor must contact MHF Replenishment team regarding any situation which may jeopardize the on time delivery of a purchase order.
- The HBC Home Buyer/Planner and HBC Home Logistics Distribution Centres must have at least 2 months advance notice of factory vacation closings.

The HBC Home Buyer must be advised of any changes to the following, in order to maintain the integrity of our Hudson's Bay Product Master File.

- Ship pack, factory pack



- Carton quantities
- Vendor SKU numbers
- Product descriptions
- Minimum shipping quantities (prepaid shipping terms will be met)
- Cartons per pallet
- Any change to the 'Cancel Date 'date on the PO
- Any change to the Vendor's "ship from" location
- Vendor Change of Address

Substitutions are not allowed without authorization from the HBC Home Buyer prior to scheduling the appointment.

The HBC MHF Replenishment team must approve any PO charges before vendor contacting the Appointment team for the appointment.

- Merchandise not packed or shipped in quantities as stated on the PO may result in the shipment being returned to the vendor at the vendors' expense.
- The vendor will be assessed a handling charge on all merchandise not packaged or shipped as ordered.
- When it is necessary merchandise be returned, the Vendor must provide Return Goods Authorization information to HBC Home Logistics D.C. within 24 hours.

HBC Appointment team must be informed by E-mail of any of the following situations:

- Appointment cancellations must be given notice 48 hours prior to shipping.
- Any changes to appointments once confirmed.

All premium routing required due to late delivery will be charged to the vendor in addition to the late delivery compliance penalty.

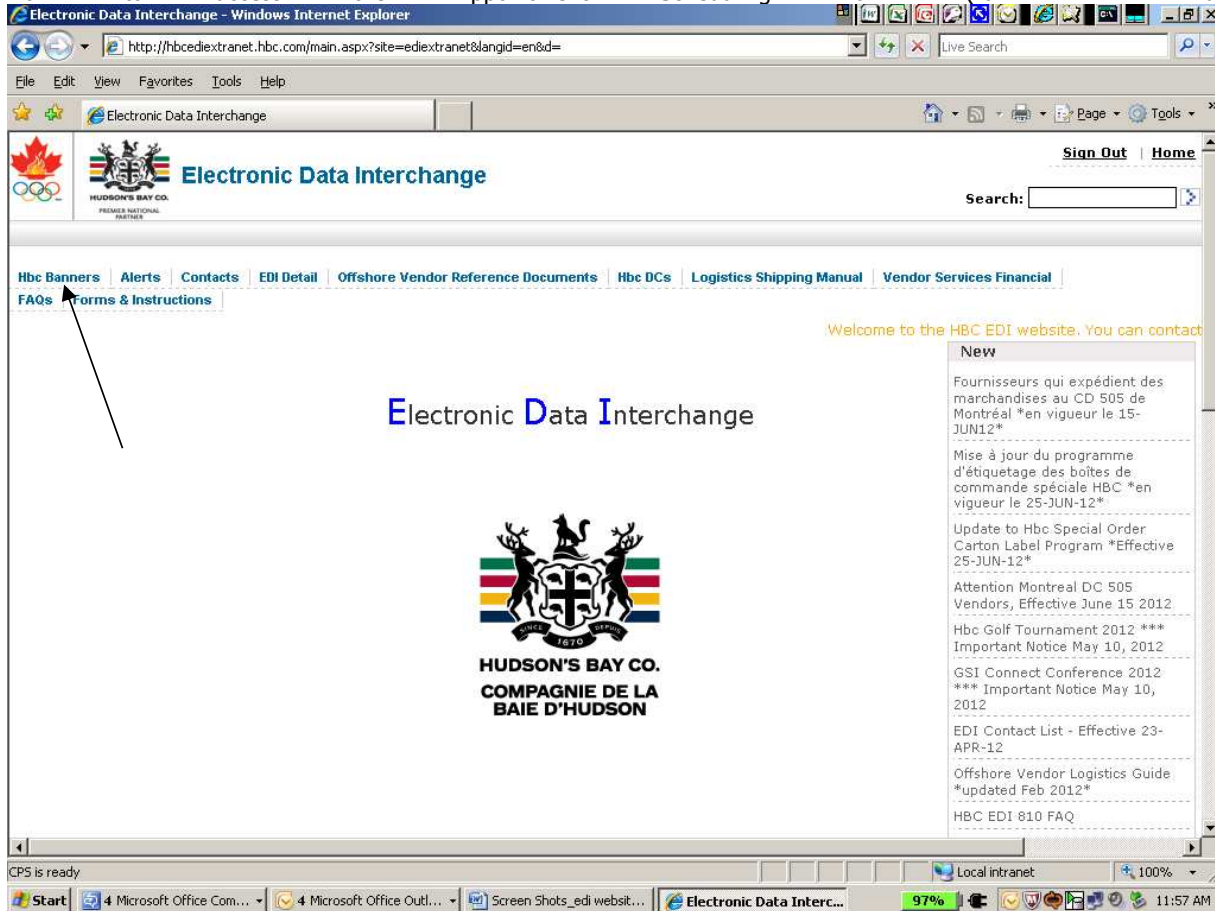


14.3 Vendor Delivery Requirement

14.3.1 Vendor Appointment Form

All MHF Vendors MUST make their appointment request using the Manual Appointment Form, which is located by accessing: <http://hbcediextranet.hbc.com>>Hbc Banners>Hbc Home-Major Home Fashion>Appointment Request Form (English or French) – initially any assistance with the completion of this form can be received by calling: ICC – Customer Service Phone # is 570-821-6440.

How to access the Appointment Scheduling Form (for MHF Business only):



Click on HBC Banners -from this point on follow the arrows to gain access.



Electronic Data Interchange - Windows Internet Explorer

http://hbcmediextranet.hbc.com/main.aspx?site=EdiExtranet&langid=en&d=161

File Edit View Favorites Tools Help

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Hbc Banners

This section provides information related to HBC stores.

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HBC Home - Major Home Fashions

- HBC
- HBC DCs
- HBC Home - Major Home Fashions
 - Appointment Request
 - Communications
 - Scheduled System Modifications

CP5 is ready

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Option of both French / English

Take note of Communications /Schedule System Modifications, always a good idea to click on those every so often to be able to keep up with latest changes.



HBC Home Appointment Request

Vendor Details (Vendor to Complete)

Today's Date: Vendor Name: Vendor No.:

Vendor's Email: Telephone No.: Fax No.: Contact Name:

Ship to: Email to: Pick-up Ready Date: ASN: ☐ Yes ☐ No

PO Details (Vendor to Complete)

PO No.	Sku No.	Quantity	Cat.	PO No.	Sku No.	Quantity	Cat.

(i.e. Invoice No., Packing Slip No., etc.) See the next tab for more PO numbers.

Example of the Appointment Request Form... (See above)

14.3.2 MHF Vendor Appointment Scheduling

All MHF vendors are required to make appointments a minimum of 5 days prior to the 'Not after date/cancel date' on the PO. The HBC appointment team will assign appointments based on information provide on the appointment request form.

A ship window contains two dates:

Must Arrive By Date/Shipping Date/Not Before Date

- First available date that an appointment will be granted for delivery.

In DC date/Cancel Date/Not After Date

- Last available date that an order can arrive in our distribution center and still is considered on time. An appointment cannot be scheduled at an HBC DC after this date without a PO extension (**subject to non-compliance for Late Shipping associated to an extension requirement**).

Vendors delivering to the DC must request the delivery no later than the Not after date. At their discretion, the appointment desk will allow delivery up to 5 days prior to the Not before Date.

HBC pick up vendors must account for required transit time in advance of the cancel date/not after date, allowing HBC to schedule the appointment at an HBC DC within the designated ship window.



Vendors are not able to fulfill their orders within this time line must request the PO change through the HBC Home Buying Office.

All appointment requests must be in by 2pm eastern time. If appointment request arrives after 2pm it will not be processed until next day.

ASN need to be transmitted at least 24 hours prior to the shipment arriving at the DC to allow interface with our system. This will allow time for resolution of any errors.

The vendor must complete the following fields to avoid delays in booking appointments:

Vendor Details:

- **Today's date:** Will automatically populate with today's date.
- **Vendor Name:** Your company name.
- **Vendor No.:** Number assigned by Hbc for payment purposes.
- **Vendor's Email:** Email address you want your appointment request sent to.
- **Telephone No.:** Contact person's phone number in case HBC Appointment office or HBC Fleet/Freight Management needs to reach you.
- **Fax No.:** Fax number for Hbc Appointment Desk or HBC Fleet/Freight management to reach you.
- **Contact Name:** Name of Contact person for HBC Appointment Desk or HBC Fleet/Freight management
- **Ship To:** Drop down menu. Select the HBC Home Logistics DC that be receiving your shipment.
- **Email to:** Will automatically populate once the Ship To DC has been selected. The completed form should be sent to this address in order to have an appointment booked.
- **Pick-up Ready Date:** If you are using HBC Fleet/Freight Management – this will be the date that your shipment will be ready for pickup.
- **ASN:** Indicates whether or not you will be sending an ASN through EDI.

PO Details:

- **PO No.:** Purchase Order Number
- **Sku No.:** SKU number
- **Quantity:** Quantity of units for the above mentioned SKU
- **Cat.:** Category# is mandatory for HBC pick up.

Notes:

- Physical shipment **must** match information listed on the Appointment Request form.
- Please ensure all PO's, SKU's and Quantities you are shipping are listed and accurate, otherwise, the HBC Home Logistics DC may be unable to receive your shipment.
- There is another tab on the form called "More PO's" on which to enter more PO Details if there is not enough room on the Home Appointment Request tab.

**Shipment Details:**

- **Carrier Name:** Applies to Vendor Deliveries only. For fleet and freight they enter HBC Fleet or HBC Freight.
- **Cube:** Total Cubic measurement of the shipment
- **Net Weight:** Total Net Weight of shipment
- **No. of Pallets** (if applicable): Number of pallets (usually for electronics only) in shipment
- **No. of Cartons:** Number of cartons in shipment
- **BOL No.:** Bill of Lading number
- **No. of SKUs:** Total number of different SKU's in shipment

Pickup Details (if applicable):

This section should only be filled out if you require HBC Fleet (Canadian vendors) or HBC Freight Management (US vendors) to pick up your shipment.

It reflects the Pickup location of your shipment:

- **Company Name:**
- **Street:**
- **City:**
- **Province/State:**
- **Postal Code/Zip Code:**

For questions filling out the HBC Home Appointment Request form please contact Customer Service Phone # is 570-821-6440.

- Vendor E-mailing the Appointment Request form:
 - Once the above sections of the form have been completed, please email to the address indicated in the "Email to" box (automatically populated once the "Ship To" DC is selected) in the Vendor Details section, which reflects the Ship to DC.
- HBC Appointment team will reply via email, with the appointment details. The Subject Line of the email will include the following:
 - Vendor Name
 - Appointment Number
 - Appointment Date
 - Number of units
- For pick up vendor, upon completion of the appointment, HBC Fleet or HBC Freight Management will use the Appointment Number to make arrangements with the vendor for pickup.
 - US vendors will be contacted by HBC Freight Management regarding pickup time.
 - Canadian Vendors will be contacted by HBC Fleet regarding pick-up details.

NOTE: It is imperative that the appointment number assigned by the appointment team match the appointment number you transmit on your ASN.



14.4 DC Address and Contact

Servicing DC	Time Zone	Address	DC Mail box	Mailbox Used for
EBT #0591	Eastern	160 Carrier Dr. Suite 100 Rexdale, ON M9W 5R1 416-644-2585	EBTC MHF Logistics Inquires ebtmhf.logisticsInquiries@hbc.com	MHF Orders/Inventory
			DC591 Wave Master master.dc591wave@hbc.com	RMAS & Pick Cancellations
			Hbc Home, Toronto 1578 1578torhbchome@hbc.com	Vendor Appt Request PO Inquiries
VLC #0507	Pacific	18111 Blundell Road Richmond, BC V6W 1G2 Main: 604-249-3000 MHF: 604-249-3027	vlcmhf.logisticsInquiries@hbc.com	MHF Orders/Inventory/ RMAS
			Hbc Home, Vancouver 507 507vanhbchome@hbc.com	Vendor App Request PO Inquiries
ADC #0504	Mountain	Dynamex 2680 61 Ave. SE Calgary, Alberta T2C 4V2 403- 265-7590	adcmhf.logisticsInquiries@hbc.com	MHF Orders/Inventory/ RMAS
			Hbc Home, Calgary 1174 1174calhbchome@hbc.com	Vendor Appt Request PO Inquiries
CRD #0508	Central	Rollys Transfer 1-178 Samborski Drive Oakbluff, MB, R4G 0B3 204-697-3868	crdmhf.logisticsInquiries@hbc.com	MHF Orders/Inventory/ RMAS
			Hbc Home, Winnipeg 1128 1128winhbchome@hbc.com	Vendor Appt Request PO Inquiries
MLC #0569	Eastern	Roy Livraison 2705 Avenue Francis- Hughes, Laval, QB, H7L 3S8	xlivraison.domicile@hbc.com	MHF Orders/Inventory/ RMAS Vendor App Request

14.5 Packaging Requirements

The Hudson's Bay Company expects the vendor to have sufficient packaging to ensure product can be safely transported, received, stored, and delivered to the customer without damage. To this end, the vendor must ensure that the proper type and weight of packaging material is used for the shipping container/carton, and that suitable inner protective wrapping, reinforcements, corner pads and edge protectors are used to ensure proper protection of the furniture for the customer.

Vendors must ensure that their shipments are loaded in a secure manner so as not to cause Health & Safety issues (i.e. do not place heavy merchandise on top of light merchandise). Failure to do so could result in Compliance Charges (for extra labour charges incurred).

Carton/Container Standards:

- For Case Goods: corrugated fiberboard container; sized to fit contents; minimum bursting strength of 275 pounds. Preferred method of closure: 3" nylon reinforced tape or glue. Staples may be used as long as they do not come in contact with upholstered or finished surfaces.
- For Upholstery: shrink wrap or six mil (0.006") linear low density polyethylene bag (sealed with pressure

sensitive tape) or heat sealed.

- Only a good, strong, rigid shipping container/carton can be used. Interior packing must snugly fit both the furniture and the shipping container.
- The furniture must not support the shipping container/carton. The shipping container/carton and the interior packing must be capable of withstanding normal compression forces experienced during the transport, handling, and storage of furniture by common carrier without allowing these forces to damage the furniture.
- The shipping container must be securely fastened/closed with adhesive, staples, or reinforced tape.
- The furniture must be suspended off its legs to relieve stress and strain during transit and storage.
- The shipping container/carton or wooden base must not be attached to the furniture in any way.
- All fragile parts (e.g. glass, mirrors, spindle legs, etc.) must be held away from direct contact with the sides, top, and bottom of the container/carton.
- If more than one article is packed within a single container/carton, each article must be placed in a separate compartment or be otherwise held securely from contacting the other article within the container.
- All finished surfaces which may contact the inside of the container/carton or interior packing must be covered with waxed paper, cloth or a softer sheet of paper fiber, or other non-abrasive material. Where necessary, the surface must be further protected and cushioned by a thickness of double-faced corrugated cardboard. Ensure finish is completely dry before packing.
- All protective pads must be taped, not stapled, securely in place. The tape must not deface the surface/finish of the furniture.
- There must be no abrasion marks resulting from contact of the furniture with the shipping container/carton or interior packing.
- All doors, drawers, hinged covers, and leaves must be securely fastened so that they will not open, rattle, or shake during transportation or handling.
- **Caution Markings:**
 - Any furniture piece having a finished surface directly under the centre seam of the carton must have a clearly printed warning to use care when penetrating the seam.
 - Instructions for opening the carton must be pre-printed on the carton. For example: "Open this end, cut bands, and lift out."
 - Where parts are separated in a carton, a warning to the customer must be located on the outside of the carton.
 - Cartons containing glass must be marked on the outside with an appropriate warning.
 - All caution markings and handling instructions must be shown in both English and French. E.g. this end up arrows, handle from this side, allowable handling equipment.
 - Identification of contents must be labeled on outside of carton. E.g. style / model number.

Packing and Shipping Standard:

- **Hardware:**
 - All attached hardware must be wrapped and/or padded.
 - Heavy drop handles must be taped down. The tape must not deface the surface. Or attached in reverse with handles on inside of drawer.
 - All hardware which cannot be affixed at the factory (e.g. shelf pins, casters, clamps, drawer keys, nuts, bolts, screws, etc.) must be bagged and securely fastened in the upper right-hand drawer.
- **Appliances:**
 - Floor loaded.
- **Furniture:**
 - All furniture except upholstery need to be skid loaded.
 - Recliner need to be packed in carton.
- **Dining Tables:**
 - Leaves and legs must be packed in a separate carton and then packed with the table top. Include assembly instructions.
 - In cases where leaves cannot be interchanged, both the table top and the leaves must be serialized. The serial number must be shown on both the piece and the container/carton.
- **Dining Chairs:**



- Dining Room chairs may be packed in pairs in a shipping container/carton.
- Base supports must be provided at each end of the container/carton so that the legs of both chairs are held away from the base of the container.
- When packing two chairs in a container/carton, suitable interior packing must be used to secure, separate, and prevent contact of the two chairs in the container during transit and handling.
- Beds:
 - Headboards, footboards, and side rails must be completely enclosed in a shipping container/carton. Hardware and assembly instructions bagged and packed in a manner so as not to damage contents.
 - Bunk beds must have two headboards, two footboards, and pre-cut slats packed in one carton with suitable packing and padding between each component.
- Upholstery:
 - All packaging must be designed to facilitate movement through HBC's distribution system without damage.
 - All Shrink Wrap packaging must comply with Canadian Freight Classification specifications.
 - All loose cushions must be secured in place.
 - Detachable legs must be removed, wrapped and padded, and securely fastened in the container to ensure protection of the furniture.
 - Items with attached legs must rest on a full-dimension bottom pad, or they must be separately wrapped and padded to prevent damage.
 - Items should have cardboard end caps and bottom trays with a layer of a soft material separating the cardboard from the fabric / leather.
 - Sofa Beds mechanisms must be securely blocked and strapped to prevent mechanism and/or fabric damage during transit and handling.
- Mattresses:
 - Palletization standards as arranged with delivery location.
- Rugs:
 - Palletization standards as arranged with delivery location.
 - Every rug requires a UCC label adhered to the end of each rug.

Receiving situations may vary by DC, for exceptions please contact the receiving DC.

14.6 Carton Labeling

HBC Distribution Centres receive thousands of cartons daily; the accurate receipt of your merchandise is dependent primarily on the proper labeling of your cartons. To avoid unnecessary delays, expense and time consuming correspondence, follow these instructions carefully.

The Vendor name on each carton label must be the same as:

- The Vendor name on the BOL, P/S and the invoice.

Product Label Requirement

The product label must include the information below. Please ensure that the information has also been specified in the e-form that the buying office has issued for new item set-ups.

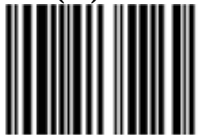
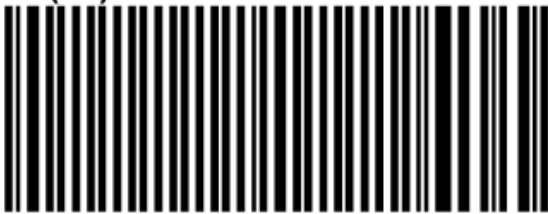
1. HBC SKU number (bar code where possible)
2. Style number
3. Size (including dimensions in **cm** and weight in **kg**)
4. Item description

Please note: Dimensions must be expressed in centimeters and weight must be expressed in kilograms.

In order for HBC Logistics to efficiently move your product to our customers it is imperative that the label requirements be met. Compliance charges will be applied if label does not meet requirements.



14.6.1 **UCC128 BULK PACK (Carton) Shipping Label-(00)0**

A	FROM/DE: DORIS - TEST 1615 LOUVAIN ST W. #200 MONTREAL, PQ H4N 1G6	TO/A: DC Address	B	
C	Ship to Postal Code/Expédier A: (420)M9W 5R1 	CARRIER/TRANSPORTEUR: ABC TRUCKING Appt #: 12345678	D	
REF02 Segment 1	E	PO: 1950939 CAT: 518 MAJOR HOME FASHION SKU: 83544397		BEG03
REF03 Segment 2	F	(91)0591 	DC: 0591	G
H	SHIP CODE/CODE D'EXPEDITION: (00) 0 0000000 120000018 0 			REF03 Segment 1

Section	Content
A	Supplier's Ship From Name and Address
B	Retailer's Ship to Name and Address
C	Retailer's Ship To Postal Code
D	Carrier Info.
E	Agreed to Information between Retailer & Supplier i.e. PO #, Category and Division Description
F	Retailer Warehouse destination code
G	Retailer Warehouse name or code
H	UCC 128-Serial Shipping Container Code (SSCC)



Zone A Ship From Zone Title: From Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 1.5 3.81 cm Characteristic: Mandatory Data Content: Ship From Name and address (May include logo). Text Size: 8 to 10 Pts.	Zone E Trading Partner Data Zone Title: (N/A) Height: 1.0" (+0.2") 2.54 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Agreed to by Trading Partners May be combined with Zone F to provide additional large barcode to facilitate automated systems.
Zone B Ship To Zone Title: To Height: 0.8" (+0.2") 2.03 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Ship To Name and address Text Size: 12 Pts.	Zone F Zone Specs Final Destination Code Zone Title: Short title of A1 used or Ship to (for ship to number) or For (for mark for number) Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Final Destination Bar Code Must be human readable for location number (i.e. DC code) and bar code for location number (i.e. DC code). The location will identify the ship to in a bulk environment. Conveyor scanning applications may require a bar code height greater than the minimum. Bar Code Specs Bar Code Height: 1.0" (minimum) 2.54 cm Bar Code Width: 1.5" (maximum) 3.81cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.5" 1.27 cm clear space before & after barcode Type: Code 128 Subset C Application Code: Bar code must start with '91'.
Zone C Carrier Routing Bar Code Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 2.5" 6.35 cm Characteristic: Mandatory Data Content: Ship to Postal Bar Code or PRO Number Bar Code Bar Code Height: 0.5" (minimum) 1.27 cm X Dimension: 0.010" (minimum) 0.025 cm Quiet Zone: 0.16" (approx.) 0.4 cm Type: Subset B Application Code: Bar code must start with (420) within Canada - (421) for USA	Zone G Final Destination Text Zone Title: Short Title of A1 used. Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Mandatory Data Content: Final Destination ID (Human Readable Only) Ship Code For Name and Address. ie. Region Code(alpha) + DC Code(num.) Text Size: 36 to 72 Pts for Final Destination ID 12 Pts. for Name and Address Please Note: All Hbc store codes are 4 digits
Zone D Zone Title: Carrier Height: 1.2" (+0.2") 3.05 cm (+0.51 cm) Width: 1.5" 3.81 cm Characteristic: Conditional Data Content: Carrier Name Appointment (Appt#: xxxxxxxxxx) Text Size: 10 to 16 Pts.	Zone H Zone Specs Zone Title: SSCC Height: 1.8" (+0.2") 4.57 cm (+0.51 cm) Width: 4.0" 10.16 cm Characteristic: Mandatory Data Content: Serial Shipping Container, Bar Code The 20 "data" characters are always printed in human readable form directly above the bar code and are characters which will be manually entered whenever key entry of the symbol is required. Bar Code Specs Bar Code Height: 1.25" (minimum) 3.18 cm Bar Code Width: 3.25" (maximum) 8.26 cm X Dimension: 0.020" (minimum) 0.051 cm Quiet Zone: 0.375" (approx.) 1.00cm (approx.) clear space before and after barcode Type: Code 128 Subset C Application Code: Bar Code must start with '00' 0



14.7 Documentation Requirements

14.7.1 Packing Slips

Packing slips will be required with the shipment to ensure proper payment to the vendor. An accurate and informative Packing Slip is essential for all Non-ASN orders to ensure the prompt and correct receiving of your merchandise at our HBC Home Logistics Distribution Centres.

Packing Slips must include:

- Vendor Name/Address/Number
- Style/Model Number/Product Code
- SKU number
- Colour
- Item Description
- PO Number or Planned Release Number
- Category & Department Number
- Total Number of Pieces
- DC Ship To Address
- Quantity ordered and quantity shipped

For LTL shipments:

- P/S must be visible and attached to the outside of one carton.

For Full Truckload shipments:

- P/S must be with the driver's paperwork
- For PO's requiring more than one truck load:
 - A P/S reflective of each truck's contents must accompany each load.
 - Each truckload requires a separate appointment.

14.8 DC Shipments – Bill of Lading (BOL)

An accurate and informative Bill of Lading is essential for the prompt and correct receiving of your merchandise at our HBC Home Logistics Distribution Centres.

- A BOL in duplicate must accompany all shipments.
- Where multiple PO's are being shipped we require only **ONE** master bill of lading per shipment.

The following information must be on the BOL:

- Number of Cartons
- HBC Home PO Number
- Appointment number, date, time
- For Vendor Pick-Up shipments (i.e. drop trailers) the driver may sign the Shipper's BOL as "SLC" (Shipper Load & Count)
- For Live load pickups, HBC driver witnesses loading and signs the BOL for the # of cartons/pallets
- The receiver (at his/her discretion) may sign for the number of pallets only indicating on the BOL – "Cartons Subject to Count".



14.9 Quality Control

In addition to the terms and conditions of HBC Home Logistics Vendor agreement, the following Quality Control related occurrences will result in a charge back to the vendor.

- **Quality Control Inspections – New Receipts**

All furniture units received are subject to a standard random inspection.

Quality defects found that cause additional unit inspection (over and above our standard inspection) will be subject to a Compliance charge as per the rates established in the Quality Control section of this guide.

All costs associated with the resolution of the Quality related problems are the responsibility of the vendor including Parts, Labour, replacement Freight and Markdown dollars.

The vendor must resolve the problem(s) within 30 days of notification from HBC Home Logistics.

- **Quality related Customer resolution**

All costs associated with Quality related Customer merchandise issues will result in a charge back to the vendor. These costs include:

- The inspection of merchandise in the Customer's residence
- Warehouse handling and Customer service associated labour costs
- Costs to return merchandise to the workroom for repair and to return to Customer's residence
- The cost of necessary repairs (labour, parts and materials)
- Adjustments (markdown dollars) to satisfy Customers to keep the merchandise in the residence.
- The cost of freight to return merchandise to the vendor at their own expense. Vendor MUST provide a local Salvage Depot for the removal and resolution of DEFECTIVE merchandise.

All charge back documents for Quality Control issues are completed and debited to the vendor by HBC's Customer and Product Services on a monthly basis. All debit charges will include details of the completed work order.

Details of charge back costs:

- Quality Control inspections \$100.00 per hour.
- Customer in home inspection at minimum \$65.00 per call
- Delivery expense (pick up from customer) at minimum \$50.00 per stop.
- Merchandise handling (labour) \$25.00 per unit.
- Customer Service Associate \$10.00 per call.
- Additional charges based on merchandise - \$65.00 per hour.
 - Repair labour and supplies
 - Parts supplied by vendor
- Freight charges of replacement units and merchandise returned to the vendor.



14.10 MHF Vendor Compliance Charges

Compliance Code	Compliance Code Description	Violation Description	Charge to be Levied
118	DAMAGED GOODS	Goods are damaged when arrive at DC.	\$250 per PO
16	SHIPMENT EARLY/LATE TO APPOINTMENT TIME	\$250 for arrive beyond 2 hour window in the same day, \$500 for arrive in wrong day. After 3:00 pm is considered next day unless time assigned by DC.	\$250 or \$500 per appointment
23	NO PACK SLIP ATTACHED	No Packing slip attached with the shipping doc.	\$100 per PO
26	P/S ILLEGIBLE	The Packing slip is hard to read.	\$100 per PO
30	NO/INCORRECT PO ON PS	No or incorrect PO on the packing slip.	\$100 per PO
33	BOL DOES NOT HAVE AN APPT #	BOL does not have appointment#	\$100 per PO
34	COLOUR / SIZE DISCREPANCY	Colour or size discrepancy	\$100 per PO
35	SUBSTANDARD QUALITY	Does not meet inspection standards or approved design or construction specifications.	\$100 per PO
36	VENDOR OVERSHIPPED	Over shipped to packing slip/ASN or PO	\$100 per PO
37	VENDOR SHORTSHIPPED	Short shipped to packing slip/ASN or PO	\$100 per PO
39	INCORRECT/MISSING SKU	Incorrect or missing SKU	\$100 per PO
42	SUBSTITUTED MDSE	Substituted merchandise to packing slip/ASN or PO (Incorrect goods shipped)	\$100 per PO
51	DID NOT SHIP ORDERS AS PER APPT	Did not ship orders as agreed on for the appointment.	\$100 per PO
52	MIXED SKUS ON SKID	Mixed SKUs on multiple skids.	\$10 per carton, min \$100
53	NO/INCORRECT PO ON CARTONS	Labels do not include PO or have incorrect PO.	\$100 per PO
56	NO UCC 128 LABEL ON CONTAINER	No UCC 128 label on the cartons or skids.	\$10 per carton, min \$100
59	NO/UNUSABLE ASN AT TIME OF PROCESSING	No or incorrect ASN when DC processing.	\$10 per carton, min \$100
113	INSUFFICIENT PACKAGING	Packaging not as per Carton Requirements section.	\$100 per PO
994	ORDER SHIPPED LATE/FORCED EXTENSION	Extension to Purchase Order need by date requested after 72 hours of receipt of the order.	10% of cost of PO plus \$25 notification charge.