

DISTRIBUTION CENTER NON-COMPLIANCE POLICY

An expensive off set fee will be assessed for all merchandise not in compliance with our Vendor Standards Manual. The purpose is of the policy is not to apply charge backs, but to achieve compliance so we can move merchandise quickly and cost effectively to the selling floor.

On the following pages you will find the listing of matters subject to a charge back and the applicable fees. All charge backs will result in a minimum \$100 fee.

As a vendor, you have the right to submit a claim for any chargeback deemed unwarranted within the 6 month window, however, due to the cost involved to research claims, any claim submitted that is researched and found to be a valid deduction will be assessed a \$150 research fee. Inquiries for items older than 6 months will be subject to resource availability and may be assessed a \$150 research fee. Please dispute claims within 30 days of receipt.

All inquires relating to charge-backs should be directed to Anchor Blue Retail Group, Inc. - Vendor Services:

2501 E. Guasti Road
Ontario, CA. 91761
Fax (909) 605-5491 or e-mail MeryleeStiffler@anchorblue.com

Type	Charge Back Fee	DESCRIPTION
Documentation	\$100.00 per Receipt	No Packing Slip
Documentation	\$100.00 per Receipt	Packing Slip Information Wrong or Missing
EDI	\$200.00 per Receipt	EDI Administration Fee
EDI	\$350.00 per Receipt	ASN/856 Not Received
EDI	\$350.00 per Receipt	ASN/856 Does Not Match Shipment
EDI	\$250.00 per Receipt	ASN/856 Correction Fee
EDI	\$350.00 per Receipt	ASN/856 Received Late
EDI	\$150.00 per Receipt	Units shipped less than ordered quantity at the item level
EDI	\$350.00 per Receipt	ASN/856 Contained Bad Data
EDI	\$250.00 per Receipt	ASN/856 Contained A Bad SKU
EDI	\$500.00 per Receipt	ASN/856 Late And Contained Bad Data
EDI	\$500.00 per Receipt	Duplicate UCC128 Numbers Were Generated and sent in ASN/856
EDI	\$500.00 per Receipt	Vendor sent new UCC128 labels that were duplicates of original
EDI	\$100.00 per Receipt	No PO Validation form submitted
EDI	\$150.00 per Receipt	Units shipped greater than ordered quantity at the item level
EDI	\$500.00 per Receipt	Split Shipment
EDI	\$150.00 per Receipt	EDI Research Charge Back
EDI	\$500.00 per Receipt	ASN/856 not received prior to physical shipment
EDI	\$500.00 per Receipt	SGS Testing Results Missing
EDI	\$150.00 per Receipt	Duplicate ASN/856
EDI	\$500.00 per Receipt	Manual ASN/856 Created
EDI	\$250.00 per Receipt	EDI Protocol Invalid
EDI	\$350.00 per Receipt	ASN/856- Carton contained mixed items
EDI	\$200.00 per Receipt	Requested incorrect ASN be deleted
EDI	\$150.00 per Receipt	Invalid Invoice Number sent on 810
EDI	\$150.00 per Receipt	Invalid PO Number on 810 / Invoice
EDI	\$150.00 per Receipt	Incorrect UPC Number on 810/Invoice

EDI	\$300.00	per	Receipt	Invalid X12 format on 810/Invoice
EDI Invoice	\$200.00	per	Receipt	EDI 810 / Invoice not received
EDI Invoice	\$350.00	per	Receipt	810/Invoice does not reflect how the shipment was packed
EDI Invoice	\$350.00	per	Receipt	810/Invoice quantities do not match the shipment
EDI Invoice	\$175.00	per	Receipt	Incorrect price on 810/Invoice
EDI Invoice	\$200.00	per	Receipt	Missing Data from 810/invoice
EDI Invoice	\$150.00	per	Receipt	810/ Invoice sent twice
EDI Invoice	\$175.00	per	Receipt	Total dollar amount is incorrect on 810 /Invoice
EDI Invoice	\$100.00	per	Receipt	Invalid 810/invoice date
EDI Invoice	\$100.00	per	Receipt	Invalid supplier number on 810/Invoice
Other	\$100.00	per	Receipt	Minimum Charge Back Fee
Other	\$150.00	per	Receipt	Return to Vendor Processing Fee
Other	\$150.00	per	Receipt	Charge Back Research Fee
Packing	\$5.00	per	Carton	Cartons Exceeded Maximum Dimensions Of L26xW18xH14 Or Weight Of 50Lbs
Packing	\$5.00	per	Carton	External Cartons Did Not Meet Minimum Dimensions Of L14xW10xH5 (5Lbs)
Packing	\$5.00	per	Carton	Cartons Sealed With Bands Or Straps
Packing	\$5.00	per	Carton	Inferior Carton Construction Or Carton Strength Not 32 ECT
Packing	\$5.00	per	Carton	UCC128/Content Label Was Applied In The Wrong Location
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Missing Information
Packing	\$5.00	per	Carton	No Store Number On Label (Pack By Store Shipments)
Packing	\$20.00	per	Carton	Carton Contents Do Not Match UCC128/Content Label
Packing	\$20.00	per	Carton	Carton Contents Do Not Match UCC128/Content Label Due To Resent ASN/856
Packing	\$5.00	per	Carton	Shrink-wrap Or Plastic Covering Interfered With The Scanning Of Labels
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not SCANNABLE - Damaged
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not Applied To Cartons
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not SCANNABLE - did not match ASN/856
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not SCANNABLE - Multiple ASN/856
Packing	\$5.00	per	Carton	Cartons not sealed properly - Inferior or poorly applied tape

Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not SCANNABLE - inferior label stock
Packing	\$5.00	per	Carton	UCC128/Content Labels Were Not SCANNABLE - other
Packing	\$5.00	per	Carton	Units per Carton less than minimum stated standard
Packing	\$100.00	per	Receipt	DC applied new UCC-128 labels received from vendor
Packing	\$0.20	per	Unit	Incorrect Pack Scale - Break Required
Packing	\$0.20	per	Unit	Ordered Product As Bulk, Received Packs - Break Required
Packing	\$0.20	per	Unit	Excessive Packaging
Packing	\$0.20	per	Unit	100% Sort Required
Packing	\$0.20	per	Unit	Items Not Folded Or Folded Incorrectly
Packing	\$0.20	per	Unit	Shipped Without Hangers
Packing	\$0.20	per	Unit	Ordered product as pack, received bulk
Packing	\$0.20	per	Unit	Packs not bundled
Packing	\$0.20	per	Unit	Bulk units bundled in master poly bag
Packing	\$0.20	per	Unit	No / Incorrect Size Strip Tape o/ Indicator on garment
Price Tickets	\$100.00	per	Receipt	Ticket Administration fee
Price Tickets	\$0.20	per	Unit	Price Tickets Not Applied
Price Tickets	\$0.40	per	Unit	Incorrect Tickets Used - Strip And Re-Ticket Required
Price Tickets	\$0.20	per	Unit	Miscellaneous Ticket Problems
Price Tickets	\$0.20	per	Unit	Tickets applied in wrong location
Price Tickets	\$0.20	per	Unit	Incorrect Ticket Attachment Method
Price Tickets	\$0.20	per	Unit	Cost for ticket replacement
Traffic	\$100.00	per	Receipt	Early or Late Shipment
Traffic	\$200.00	per	Receipt	Appointment No Show
Traffic	\$200.00	per	Receipt	Additional Freight due to non-compliance