

Transportation Chargebacks

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Chargeback Descriptions:

T01 - Unauthorized Direct to Store - \$150 (per carton)

Direct deliveries of regular orders and special orders to Neiman Marcus stores are considered unauthorized unless the routing guide specifically instructs you to ship the merchandise direct to stores.

T02 - Freight Charges for Unauthorized Carrier – Cost of freight + \$50 processing fee

Supplier shipments via unauthorized carrier.

T03 - Over Weight & Carton Specifications – Cost of freight + \$50 processing fee

The NMGOPS.COM routing guide will specify the carrier to be used based on shipment carton count and weight criteria. For example, the routing details the specific small package carrier and LTL (Less than Truckload) carrier to use depending on the size of the shipment. Guidelines for using both carriers can be found in the Transportation Routing section of this web site. When a supplier ships either over the carton limit or the weight limit specified, a chargeback will be assessed. Neiman Marcus / NMD / Bergdorf Goodman also provide routing instructions for shipments over 8,000 lbs or shipments 749 cube or more.

T04 - Miscellaneous Freight Charge - Cost of freight charge + \$50 processing fee

Charges such as duty, taxes, weight inspection fee, and notification-prior-to-delivery fee... will be charged back to supplier.

T05 - Misroute/Shipment Shipped to the Wrong Ship-to Address - \$150 Flat Rate (per shipment)

Shipments sent to the wrong location in which Neiman Marcus or Bergdorf Goodman must then forward to the correct receiving facility, will receive a chargeback for misrouting and additional

handling.

T06 - Multiple BOL on Same Day /Consecutive Business Days to Same Destination Location - Cost of freight + \$50 processing fee

All shipments to the same address, the same day MUST be consolidated onto one bill of lading.

T07 - Carrier Detention Charges at Origin - Cost of freight charge + \$50 processing fee

A request by Shipper to detain driver(s), power unit(s) and/or trailer(s) to complete loading or unloading due to no fault of the Carrier will result in a chargeback of any fee assessed by the carrier plus a processing fee.

T08 - Valid PO Number not listed on BOL or on the carrier freight invoice - \$150 (per carton)

For FedEx small package shipments, PO's should be listed in the PO, Billing Reference, or Customer Reference field and transmitted to FedEx. This applies to all FedEx Small Package shipments manifested in Fedex.com Ship Manager, in the supplier's automated shipping system, or any other method of manifesting) Chargebacks for missing PO Number on FedEx small package shipment invoices will be assessed on a per carton basis, not per shipment.

Neiman Marcus / NMD / Bergdorf Goodman purchase order numbers must be listed on your shipment bill of lading. We require this information be provided to the carrier so that NM can appropriately expense each shipment at freight bill payment. If this information is not provided on the bill of lading, the supplier will be assessed a chargeback and processing fee.

If an automated shipping system is not used then suppliers should access FedEx.com to generate shipping labels so that the PO number can be entered in the Customer Reference field and avoid a chargeback.

When a paper airbill is used the PO number in the Customer Reference field may not be entered by FedEx and would thus result in the PO number not being transmitted to Neiman Marcus. This will generate a chargeback against the supplier. Therefore it is recommended that paper airbills be avoided when shipping via FedEx.

Expired or incorrect PO numbers cannot be used to appropriately expense each shipment and will result in a chargeback to the supplier.

T11 - Declared Value - Cost of declared value + \$50 processing fee

Neiman Marcus / NMD / Bergdorf Goodman will not allow charges for insurance or declared value on any shipment, including drop shipments. All of these type charges will be charged back to the supplier.

T12 – Past due prepaid freight charges – Carrier freight charges + \$150 processing fee

Suppliers who ship prepaid using our freight consolidators (Performance Team West or The Gilbert Company) are required to remit payment to the respective consolidator within 30 days of the invoice date. Unpaid invoices that are billed to Neiman Marcus will be charged back to the supplier for freight and any applicable administrative processing fees.

T13 - Unauthorized Air Freight Shipment – Cost of freight + \$50 processing fee

Small package shipments should be sent using Ground service. The freight amount and a \$50.00 processing fee will be charged back to the supplier for using Express service without prior approval.

T14 - Misc. amount added to the merchandise invoice – Charge + \$50 processing fee

Neiman Marcus / NMD / Bergdorf Goodman will chargeback any other charges that appear on your merchandise invoice. Only charges for merchandise will be paid. Other charges like handling, freight, insurance, packing, crating, or other miscellaneous charges will be charged back automatically by Accounts Payable and deducted from your merchandise invoice payment.

T15 - Freight charges for unauthorized service level - Cost of freight + \$50 processing fee

Supplier ships using a service level different than what is on the routing guide.

T16 - Wrong ship to info on the BOL or carrier label – \$50 (per shipment)

The ship to information should match the into on the routing guide. For example Neiman Marcus 7079 NSC c/o The Gilbert Company.

T17 - Incomplete or inaccurate DC or carton count info entered into Consolidator web portal or submitted via e-mail - \$150 (per shipment)

Suppliers must accurately enter/provide the PO's, DC location, Number of Cartons & Cubic Feet information into the Performance Team Client Zone Web Portal for PTW shipments or provide this information via email to The Gilbert Company at NMG@gilbertusa.com when requesting pick-ups.

T18 - Incomplete or inaccurate cubic feet info entered into Consolidator web portal or submitted via e-mail- \$250 (per shipment)

Suppliers must accurately enter/provide the PO's, DC location, Number of Cartons & Cubic Feet information into the Performance Team Client Zone Web Portal for PTW shipments or provide this information via email to The Gilbert Company at NMG@gilbertusa.com when requesting pick-ups.

T19 - Consolidator pick up window less than 3 hours - \$150 (per shipment)

Suppliers are required to allow consolidators at least a three (3) hour pick-up window from the 'Pick-up Ready' time until the close time of the supplier's facility. For example if the supplier's facility closes at 5:00 p.m. then the 'Pick-up Ready' time should be no later than 2:00 p.m. A chargeback fee will be assessed if the pick-up is missed (due to supplier's facility being closed) and the pick-up window was less than three (3) hours.

T20 - Consolidator pick-up cancellation with less than 12 hours advance notice for local areas: CA, NJ, NY, PA - \$100 (per shipment)

Suppliers will be charged back for pick-up attempts where the driver arrives at the destination and there is no freight for pick-up. Pick-up cancellations must be called-in or e-mailed to the consolidator at least 12 hours before scheduled pick-up.

T21 - Consolidator pick-up cancellation with less than 12 hours advance notice for remote areas: Long Island, NY, San Diego or 930-959 zip codes - \$250 (per shipment)

Suppliers will be charged back for pick-up attempts where the driver arrives at the destination and there is no freight for pick-up. Pick-up cancellations must be called-in or e-mailed to the consolidator at least 12 hours before scheduled pick-up.

T22 - Deliveries to Consolidator not scheduled through Consolidator web portal or submitted via e-mail - \$10 (per carton) up to \$150 (per shipment) - \$50 minimum

To ensure adequate outbound trailer capacity is scheduled each night, all outside deliveries to the consolidator require a scheduled appointment to be requested through the consolidator. For Performance Team West use Client Zone Web portal , for The Gilbert Company use the following e-mail - NMG@gilbertusa.com. This includes small package (FedEx, UPS, etc.), LTL (FedEx Freight and International Warehouse Group) and other outside carrier deliveries.

T23 - Freight delivered to Consolidator unsecured - \$200 (per shipment) + \$35/hr if >2 hours of labor required

Suppliers must deliver freight to the consolidator in a workable condition (sorted by supplier and by NM DC). Palletized freight must be shrink-wrapped or secured. For unpalletized or loose freight, cartons must be 'stair-stepped' down, tightly stacked and secured in the trailer.