

2010

**Macy*s Merchandising Group
Addendum**

MACY*S MERCHANDISING GROUP ADDENDUM

This Addendum applies only to the Macy's Merchandising Group ("MMG") and its Domestic Private Label Programs. If you receive a retail division EDI or hard copy order, please follow the instructions in the 2010 Macy's Vendor Standards, which are also available on macysnet.com. Please note that MMG has made significant improvements in our ability to utilize technology to eliminate redundant data entry and paper documents and now have the ability to trade the following EDI documents electronically:

- 850 Outbound Purchase Order (including Bulk & Release)
- 810 Invoices
- 856 Advance Ship Notices

All of the above EDI documents must be sent and received electronically to avoid an expense offset. Vendors currently registered and approved to exchange EDI documents with any Macy's entity (Macy's, macys.com, Bloomingdale's or Bloomingdales.com) will not be required to re-register but will be required to complete a testing phase before being placed in production with MMG.

Vendors who are NOT currently registered as an approved Macy's or Bloomingdale's EDI vendor must first submit an EDI Startup Form through www.macysmq.com or contact us MMGLogistics@macys.com for instructions. Inovia also can provide help in implementing industry standard technology. For more information, visit www.inovia.com or call 877-446-6847.

Special Note: MMG's Accounts Payable and Purchase Order policies are the ONLY current MMG requirements applicable to MMG Private Label Domestic Vendors that differ from Macy's Vendor Standards generally. All of the other technology requirements in the 2010 Macy's Vendor Standard also apply to MMG Private Label Domestic Vendors and if a MMG private label domestic vendor does not comply with the Macy's requirements, an expense offset will be assessed. Please refer to the Expense Offset Policy in the [Macy's Vendors Standards](#) for details.

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MMG Contacts

Billing Instructions, Master Contract Information, General Invoice Information	Vendor Relations Coordinator	Phone: (646) 429-6634 Fax: (646) 429-6826 E-Mail mmgap@macys.com
Unpaid aged invoices, deductions, Change of Address Notice, General Correspondence	Vendor Relations Coordinator	Phone: (646) 429-6634 Fax: (646) 429-6826 E-Mail mmgap@macys.com
Purchase Orders and Advance Ship Notices	EDI Analyst, Retail Technology	Phone (646) 429-5944 E-Mail mmglogistics@macys.com

MMG Master Contract Verification

Receipt of valid MMG Purchase Order (EDI transmission (850): Worksheets, phone orders, verbal commitments are not valid. If you require a hard copy purchase order, please contact Vendor Relations (see above for contact information).

Verify the accuracy of all Purchase Order details including quantity, unit cost, payment terms, and relevant data: Do not ship merchandise until any and all discrepancies have been corrected and a revised Purchase Order is retransmitted or proof of correction is provided to you by MMG in the form of a Master Contract Change Notice.

EDI Purchase Order

MMG requires that all vendors receive MMG Purchase Orders in the form of EDI 850 transmissions. Orders will be transmitted as bulk orders in that MMG will initially transmit the bulk orders and the release/allocation of the order will follow, closer to the ship date or as stand-alone for replenishment. Mapping guides are located at www.macysmq.com under the *Supplier* tab.

EDI Advance Ship Notice

MMG requires that an Advance Ship Notice using the 856 form be transmitted to MMG for all Private Label orders sent from the MMG mailbox. Again, mapping guides are located at www.macysmq.com under the *Supplier* tab. Failure to transmit a valid ASN to MMG will result in an expense offset. Segments specific to MMG 856 mapping are:

- PRF Data:
 - PRF01 - Purchase Order Number
 - PRF06 - Master Contract Number
- REF Data:
 - REF01 - IV
 - REF02 - Seller's Invoice Number

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Please follow these additional instructions:

- Transmit a consolidated 856 Ship Notice to MMG with carton level information for every shipment to a Macy's Distribution Center.
- Do not send 856 Ship Notices for MMG Private Label orders directly to the Divisions or combine MMG Private Label POs and Macy's Division POs on 1 ASN.
- Include 810 (invoice number) reference on the 856. (It is imperative that the invoice number provided on the 856 is the same invoice number referenced on the 810 transmissions).

Special Note: Should an 856 fail, an automatic (systemic) email notification will be sent to the email address(s) provided to MMG at the time you were placed in production status. Only one notification will be sent. A revised, corrected ASN must be transmitted immediately; otherwise an expense-offset may be assessed.

MMG ACCOUNTS PAYABLE

EDI Invoices

MMG requires that all vendors receiving an MMG purchase order:

- Transmit an EDI 810 invoice document, which require the use of the specific MMG 810 map and use of a separate mailbox. The Segments specific to the MMG 810 mapping are REF - Data: REF01/REF02 - Master Contract no. To obtain a copy of the MMG 810 Inbound Invoice map, click on the **Supplier** link under EDI Mapping Guides at www.macysmg.com.
- Send/transmit only one (consolidated) invoice per P.O. number, per shipment. MMG cannot process branch or store location invoices. Individual branch store invoices received will be deleted from our system and an email notification will be sent. You will not be paid for your shipment until a CONSOLIDATED invoice is received.
- Provide invoices that are 100% accurate (balanced to the ASN transmitted to MMG) and include a valid MMG master contract and purchase order number. Do not reference any alternate divisional purchase order numbers. Do not list UPCs for quantities not shipped. The invoice number reference used on the 810 must match the invoice number reference used on the 856 document.

Special Note: Should your 810 fail MMG's edits, an automatic email notification will be sent to the email address provided to MMG at the time you were placed in production status. Notifications will be sent daily for two (2) weeks or until a corrected 810 is sent. If the error is not corrected within two (2) weeks, your invoices will be deleted from our suspense file and you will be required to contact MMG's accounts payable department. Payment cannot be made until errors are corrected. For questions regarding the 810 requirements, call 646-429-6622. Until you are "final approved" for 810 transmissions, you will need to send paper invoices to Macy*s Merchandising Group, 9th Floor, Eleven Penn Plaza, New York, NY 10001.

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Vendor Invoice Criteria

Invoices that do not comply with the following requirements will be returned for correction:

1. One consolidated invoice per PO, per shipment. Do not send branch store invoices.
2. Include name of Macy's Distribution Center or other destination to which merchandise was shipped and three digit department number for the destination.
4. The MMG Master Contract number and Purchase order number.
5. Payment terms and invoice date, which must post date shipment. Accounts Payable will not accept an invoice prior to shipment.
7. Total units shipped. Quantities and styles MUST match those shipped as shown on the ASN transmitted to MMG.
8. Invoice must contain unit cost and total cost by vendor style (aka PID).
9. Bill of lading number and carton counts by purchase order for each shipment.
10. Non-merchandise charges should not be included on a merchandise invoice.
11. Merchandise Accounts Payable does not pay freight charges listed on merchandise invoices.
12. All merchandise must be shipped in accordance with our transportation guidelines.
13. Freight invoices should be sent to the Macy's Transportation Office, at the address given on the AP Contact Matrix at www.macysnet.com/VS.

MMG Vendor Relations and Macy's Vendor Services

Macy's Accounts payable permits registered users of macysnet.com to manage accounts online. Please utilize the functions under A/P section of macysnet.com for all inquiries relating to payment of invoices, check detail, and/or chargebacks. For all other inquiries or disputes relating to MMG transactions, please email us at mmgap@macys.com or contact, Macy's Merchandising Group, Merchandise Accounts Payable, 11 Penn Plaza 9th Floor, New York NY 10001, Attention: Vendor Relations. Notifications of changes in vendor's name or ownership, change in "remit to addresses" or other change in vendor status (e.g., going out of business, Chapter 11, merger), should be communicated to MMG, in writing on company letterhead, and directed to MMG's Accounts Payable offices at 11 Penn Plaza.

***Special Note:** Inquiries as to expense offsets for non-compliance with the Macy's Vendor Standards are handled by Macy's Vendor Services in Cincinnati. Any disputes concerning such offsets must be directed to Macy's Vendor Services using forms posted macysnet.com in the Accounts Payable section. Please contact Macy's Vendor Services via macysnet.com.*

Proof of Delivery Requests For Unpaid Invoices

Merchandise Accounts Payable will request proof of delivery (POD) on invoices for which no record of merchandise receipt can be found. Vendors/factors will receive notification by mail of a POD request. To request payment, the vendor must attach a valid POD to the corresponding invoices and mail to MMG's Accounts Payable offices at 11 Penn Plaza.

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To ensure timely disposition, a valid POD must be received within 2 months of the original request date or the POD may be denied. A valid POD is defined as a freight bill stamped and signed by a representative of a Macy's distribution center. A bill of lading will not be accepted as a valid form of POD. The freight bill must include the purchase order number, carton count, and the name of the Macy's division the shipment was shipped to. If there are multiple purchase orders on the shipment, the carton count must be provided by PO.

Corresponding with MMG

All correspondence directed to MMG should clearly identify the vendor, vendor's inquiry and contain all pertinent information including but not limited to: check number, division's document number and amount, and must include a street address to which a reply should be sent. In addition:

1. **Disputes for deductions from merchandise invoices will only be addressed if the request is received in writing, referencing reason for dispute and backed-up by appropriate documentation.** Please attach a copy of the check remittance and debit memo and send it to Macy's Merchandising Group, Merchandise Accounts Payable, 11 Penn Plaza 9th Floor, New York NY 10001, Attention: Vendor Relations. As noted previously, inquiries and/or disputes with respect to expense offsets for noncompliance with Macy's Vendor Standards must be directed to Macy's Vendor Services via macysnet.com.
2. **Any inquiry for transactions older than 12 months will incur a fee of \$25/claim number for research.** Unless the fee is enclosed with the request, a letter will be sent informing you of the policy before proceeding to confirm whether you wish to proceed with the research.
3. **Deductions for cost differences made when the price on the invoice is greater than the price on the purchase order are not reimbursable.** Vendors must verify the accuracy of the Purchase Order prior to shipping.
4. **Accounts in debit balance will be offset.** Payments for MMG private label orders will be combined on same check as other Macy's orders with all claims and/or deduction for returns, allowances, shortages and other adjustments consolidated. All claims for MMG will be designated as such in the remarks field on the transaction. Contact MMG directly with questions relating to MMG chargebacks.