

**Glik's**

25 ABC Pkwy

Collinsville, IL 62234

Phone: 618-876-6717

Website: www.gliks.com

Traffic Manager:

This letter is to inform you that Glik's is continuing with its service contract with Tranzact/Freedom Logistics. Tranzact/Freedom Logistics provides a website where you must go to find the appropriate carrier for your merchandise. All shipments must be routed with the **carrier listed** on the Freedom Logistics Website. To find the authorized carrier, log onto

[http://starrate.tranzact.com/StarRate/LoginForm.aspx?login=srvendor\\_glk](http://starrate.tranzact.com/StarRate/LoginForm.aspx?login=srvendor_glk)

and At the Web Rating System Interface screen, type in the "Origin Zip Code", "Destination Zip Code", "Weight of the Shipment", and the "number of packages". Press the "Lookup Routing" button to get the routing instructions. **Always use the carrier listed.** This will be the best value for our company. In the case that UPS Ground or UPS Hundredweight is the authorized carrier, we are providing you with our UPS Shipper Number (600404). This number will be necessary for you to complete the shipping document and have the shipment transportation charges billed directly to Glik's home office. **UPS Shipments should be billed Freight Collect regardless of if routed to the warehouse or direct to stores.**

Complete Routing Instructions are available on our website at [www.gliks.com](http://www.gliks.com). Please update your files with the attached revised routing guide. The attached chargeback chart will apply. Your cooperation with Tranzact/Freedom Logistics and Glik's will be greatly appreciated. If you have any questions, please feel free to contact our traffic department at 618-876-6717 ext. 129 or 121.

Sincerely,

Kari Goeddel  
Logistics Manager

Mary Pavlik  
Director of I.S.

**Glik's**

25 ABC Pkwy

Collinsville, IL 62234

Phone: 618-876-6717

Website: [www.gliks.com](http://www.gliks.com)**Routing Order**

To: All Parties Shipping to Glik's

**ROUTING & SHIPPING INSTRUCTIONS****A. GENERAL REQUIREMENTS**

1. This supersedes previous routing instructions and applies to all shipments. The instructions contained here and in each of our documents, are defined as additional provisions of the purchase order contract. The routing and shipping instructions contained in the routing letter must be complied with for all shipments to Glik's Stores.
2. Consider this document as a new set of instructions. Distribute this to all personnel within your organization, who are responsible for any logistical compliance. Previously authorized variances from anyone within the Glik's organization are rescinded, effective immediately.

**B. PURCHASE ORDER MANAGEMENT**

1. Purchase orders are considered canceled on the date indicated on the purchase order if not shipped prior to that date. Shipments made after the automatic cancellation date are subject to refusal or return at the vendor's expense. A handling charge will be assessed for merchandise that is shipped and accepted after the cancellation date. Do not accept telephone orders, worksheets or verbal commitments. If purchase order changes or substitutions have been agreed upon, please ask the buyer to fax or send you an updated copy of the corrected purchase order or a screen print of the updated purchase order screen. All agreed upon changes or substitutions (including ship dates, color, size, or style substitutions) must be confirmed in writing by the buyer prior to shipping.
2. No unauthorized overshipments. No style, color, or size substitutions accepted without prior written approval from the buyer. Do not ship more of one product/style in lieu of another product/style.
3. Overshipments, unauthorized style, color, and size substitutions; merchandise not on order, merchandise picked in error, merchandise not shipped within the period specified on order and defective merchandise WILL be refused or returned solely at the vendor's expense and risk. A return authorization will not be used for any of these shipments. These shipments will be returned to the address from where the shipment originated. Disposition of any refused shipment become the sole responsibility of the vendor. Any return shipment refused by the vendor will be abandoned to the carrier for salvage. We will not accept any responsibility for payment of any merchandise invoices, transportation, handling, warehousing or holding cost associated with any abandoned shipment.

4. Each shipper is strongly urged to ship on the earliest available ship date for the purchase order.
5. Any changes to the PO at the style/color/size level, must be supported by an updated copy of the purchase order from our purchase order system or a retransmission of the EDI order indicating the changes made. Failure to do this will result in a chargeback.
6. New store purchase orders may not be direct shipped to a new location without prior written authorization. Penalties will be assessed for unauthorized direct to store shipments.
7. Shipments outside of the purchase order window are not permitted. Shipments must be made no earlier than the start ship date and must occur prior to the complete date. If your order cannot ship within the window, contact the merchandise buyer.
8. Split shipment of styles is not allowed. In order to maintain our floor plans and meet customer demand each style must be shipped complete (one time).
9. Basic stock replenishment orders, should be shipped a minimum of 90% complete and the balance should be cancelled. Ship only one time per order.
10. Fashion orders must be shipped with a minimum fill rate of 95% at the individual SKU/UPC level (style, color, size). Fashion purchase orders may be shipped no more than two times. Regardless of the circumstances, a style may not be split shipped.
11. Case Packs – Vendors should pack in case packs/size run by style when requested to do so by the buyer.

#### C. BILLS OF LADING

1. Combine all same day shipments on one Bill of Lading. Same day/same location shipments must be combined when looking up routing on Tranzact/Freedom Logistics web-tool.
2. Each vendor is required to limit shipping to Glik's to one time per week. Chargebacks will apply.
3. Show the following on the Bill of Lading: Purchase Order numbers, number of cartons for each PO, weight for each PO, and the date shipment was picked up by the carrier. Indicate the complete shipping address including the vendor name, street address, city, state, and zip code. Whenever possible, please include the telephone number of your shipping department on the bill of lading.
4. All LTL shipments should be palletized and shrink-wrapped, if possible. The Bill of Lading must show the number of pallets, total cartons, and weight. **Do not mark** the BOL as STC (Said to Contain). The vendor will be responsible for any shortages on shipments where the bill of lading is marked as STC. On all LTL shipments, all palletized carton counts must be verified by the driver. If the driver signs the Bill of Lading as \_\_\_pallets said to contain \_\_\_cartons, all shortages will be charged back to you, not the carrier.
5. On LTL shipments, all unit counts must be verified by the carriers agent when the shipment is picked up. Bills of Lading signed by the carrier's agent as shippers load and count will absolve the carrier and Glik's from liability of shortages.
6. Bill of Lading must clearly state which party (shipper or driver) loaded and which party (shipper or driver) counted freight.
7. Merchandise must be packed, shipped, and described on the bill of lading as clothing, class 77.5, density 12 pounds or greater per cubic foot, and actual value not exceeding \$11.25 per pound. Must be marked NMFC IT 49880-Sub 4.
8. DO NOT insure any shipments or declare value for carriage. Doing so will result in a charge back (see chart).
9. Unless otherwise specified on the face of the order, all orders are placed strictly on a F.O.B. Point of Origin, freight terminal basis, and merchandise covered hereby will be delivered to any carriers freight terminal or consolidators receiving station specified by Glik Company free of all charges.

10. UPS shipments must include the Purchase Order number in reference field #1 of the UPS shipping label.

#### D. PACKING SLIPS

1. If you are a production ASN vendor, you may discontinue sending packing slips. In the event of an ASN failure or critical error, you must be capable of resending the ASN upon demand.
2. Master packed small package shipments – If individual cartons are small enough to consolidate into master cartons, each master carton must be marked Open For Distribution. Individual cartons must be clearly marked with the store number. Packing Slips must be on the outside of the master packed carton in a removable envelope.
3. For Volume Shipments – The packing slip for all purchase orders must be placed in a removable envelope and attached to the outside of one designated lead carton. This envelope should be clearly marked as Packing Slips Enclosed. The lead carton should be clearly identified as the Lead Carton on all four sides and placed towards the Top of the Pallet facing out.
4. All cartons must be marked with our purchase order number and the total number of cartons in the shipment in the upper right hand corner. (Example: Box 1 of 4, 2 of 4, etc.) Cartons must clearly indicate the lead carton; the packing slip must be on the outside end or side of this carton. The outside of each carton should indicate the style number, size, and quantity within each carton. The packing slip must state the cartons contents including the purchase order number, style number, size, color, quantity, and number of cartons.

#### E. ROUTING INSTRUCTIONS

##### Surface Transportation

1. From this date forward, all shipments must be routed with the **carrier listed** on the Tranzact/ Freedom Logistics Website. To find the authorized carrier, log onto [http://starrate.tranzact.com/StarRate/LoginForm.aspx?login=srvendor\\_glk](http://starrate.tranzact.com/StarRate/LoginForm.aspx?login=srvendor_glk) and at the Web Rating System Interface screen, type in the "Origin Zip Code", "Destination Zip Code", "Weight of the Shipment" and "Number of Cartons". Press the "Lookup Routing" button to get the routing instructions. Always use the carrier listed. This will be the best value for our company. In the case that UPS Ground or UPS Hundredweight is the authorized carrier, we are providing you with our UPS Shipper Number (600404). This number will be necessary for you to complete the shipping document and have the shipment transportation charges billed directly to Glik's home office. **UPS Shipments should be billed Freight Collect regardless of if routed to the warehouse or direct to stores.** The BOL for over the road shipments should be marked:

Send Freight Bills to:  
Glik's  
C/O Freedom Logistics  
360 West Butterfield Rd.  
Suite 400  
Elmhurst, IL 60126

2. For small parcel shipments, the internet website will indicate when to ship UPS Ground and when to ship UPS Hundredweight. All UPS shipments should be billed to our account number 600404.
3. All cartons shipped UPS must weigh 6 pounds or more. Cartons under 6 pounds should be master packed to meet weight requirement according to UPS website Dimensional Weight Calculation. For more specifics, go to UPS.com and search Dimensional Weight. Follow their guidelines.
4. UPS shipments must include the Purchase Order number in reference field #1 of the UPS shipping label.
5. Shipper is responsible for all UPS and other carrier standards.
6. When shipping UPS, DO NOT use cartons that will incur a dimensional weight charge. For details go to:  
[https://www.ups.com/content/us/en/resources/ship/packaging/dim\\_weight.html?srch\\_pos=1&srch\\_phr=dimensional+weight](https://www.ups.com/content/us/en/resources/ship/packaging/dim_weight.html?srch_pos=1&srch_phr=dimensional+weight) Shipping cartons that incur a dimensional weight charge, will result in a chargeback (see chart).
7. Priority /Air Transportation - **Glik Company must authorize all Priority or Air transportation in writing.**
8. DEVIATIONS FROM THESE INSTRUCTIONS, WHICH INCUR ADDITIONAL FREIGHT CHARGES, WILL RESULT IN A CHARGEBACK OF THESE CHARGES.

**CAUTION: ROUTING CHANGES ARE AUTHORIZED BY BUYER OR GENERAL MERCHANDISE MANAGER ONLY.**

#### F. INVOICING TERMS AND INSTRUCTIONS:

1. Terms are calculated based on the later of the following dates; receipt of goods, date of invoice, or receipt of invoice.
2. If merchandise is shipped early, payment due date is calculated from the start ship date as listed on the purchase order.
3. For EOM terms merchandise received on or after the 25<sup>th</sup> of a month will be paid as though received on the first of the following month.
4. A payment term of less than 30 days for merchandise invoices is unacceptable unless terms include a cash discount of at least 3%.
5. Invoices must not include charges for freight or other non-merchandise items.
6. Requests for chargeback copies, correspondence concerning invoices not paid or short paid, and other payment disputes must be received by accounts payable within 6 months of the invoice date or check date. All requests for payment of unpaid invoices more than 3 months old must be accompanied by a valid, signed proof of delivery.
7. There is a \$25 fee for providing proof of delivery on returned merchandise.

#### G. PACKAGING

Packing is to be a good commercial practice consistent with the each carrier's requirements.

#### H. CHARGEBACKS

1. The full cost and expense of any violation of these shipping and routing instructions by the vendor will be charged back to the vendor, plus a \$25 administrative fee.
2. The following deviations from the purchase order or shipping instructions will result in these handling chargebacks, plus Buyer negotiated merchandise allowance:

See Chargeback Table on next page.

## Chargeback Table

Rule	Rule Description	Chargeback Amount	Minimum
100	No Packing Slip Provided	\$100	
105	Packing Slip not on Lead Carton	\$100	
110	Packing Slip Inside Carton	\$100	
115	Packing Slip has missing/incorrect/multiple PO(s)	\$100	
120	Packing Slip has missing Store # or Carton Count	\$100	
125	Packing Slip does not include Style/Color/Size Info	5% of PO Cost	\$150
130	Odd Prepack Not on Order	\$50	
195	Shipping Basic Stock Replen. more than 1 time	Full Freight Cost	\$150
200	Style Substitution	5% Cost of Substituted Style	\$100
205	Size Substitution	5% Cost of Size Substituted Style	\$100
210	Color Substitution	5% Cost of Substituted Color	\$100
215	Shipped as Bulk/Ordered by Store	5% PO Cost	\$150
220	Shipped by Store/Ordered as Bulk	5% PO Cost	\$150
300	Early Shipment	5% PO Cost	\$150
305	Late Shipment	5% PO Cost	\$150
310	Concealed Shortage	5% of Style Cost	\$150
315	Style Overshipment	5% of Style Cost	\$150
320	Shipping Merchandise not Ordered	5% of Style Cost	\$150
325	Failure to ASN	5% of Total Invoice	\$150
328	Failure to Invoice at Order Price	5% of Total Invoice	\$150
330	Carton Marking Missing or Incorrect Store #	\$100	
335	Styles Mixed in Cartons (Bulk Orders)	\$100	
400	Tickets on Garment are for another Retailer	\$1 per unit	\$150
405	No Retail on Merchandise	\$1 per unit	\$150
410	Retail does not match PO	\$1 per unit	\$150
415	No UPC Ticket	\$1 per unit	\$150
420	Failure to put PO number in UPS Ref. Field #1	\$100	
425	Unauthorized insured shipments	\$100 plus cost of insurance	\$150
430	Request for P.O.D. on returned merchandise	\$25	
500	Failure to consolidate PO's into one bill of lading	Full Freight Cost	\$150
505	PO's not listed individually on bill of lading	\$100	
510	Carton Quantity not listed individually on BOL	\$100	
515	UPS Shipments not sent Freight Collect	Full Freight Cost	\$150
520	Incorrect Routing	Full Freight Cost	\$150
525	More than one shipment in per week	Full Freight Cost	\$150
530	UPS Cartons weighing less than 6 pounds	Full Freight Cost	\$150
535	Shipment made on same day with separate BOL	Full Freight Cost	\$150
540	Shipping cartons which exceed UPS dim weight guidelines	Full Freight Cost plus \$25 Handling per Ship Date	

Note: A \$25 administrative fee will be added to all chargeback violations.

**Glik's**

25 ABC Pkwy  
Collinsville, IL 62234  
Phone: 618-876-6717

May 24, 2005

**Damage Return Policy**

Dear Vendor:

Glik's has been in business for over 105 years. We have built a strong relationship with both our customers and vendors. Below is our Damage Return Policy that has been in effect since 1997.

Apparel retailing has many challenges and one of those is customer satisfaction and quality control. At Glik's, if a customer has made a purchase and the product has not performed up to standards, Glik's will accept the customer's return. Our Return Department then processes the product to determine whether it is a vendor quality problem or customer abuse. If the problem is vendor quality, we will request for return of the merchandise. The return request will be sent for the cost of the merchandise plus freight. A RA# is expected within 30 days of the request.

Vendors can do the following:

1. Send a RA# and the damaged product will be returned plus freight. The request must be received in 30 days.
2. After 30 days, a credit memo will go against the next invoice and the merchandise will be rummaged.
3. Vendor can negotiate with the Buyer for a permanent damage allowance. This allowance will be taken off of each invoice total.
4. Return Authorizations may be mailed, faxed, or e-mailed to Glik's. Our preferred method is e-mail.

Email address for damages;. If you have an e-mail address for your damage/returns area, please e-mail it to this e-mail address so our records may be updated.

Sincerely,

Mary Pavlik  
Glik's  
Director of I.S./Warehouse  
618-876-6717 x 121