

Shoe Sensation, Inc.
Routing Guide with Addendum
Vendor Compliance
Terms of Business Agreement

Transportation Department
253 America Place
Jeffersonville, IN 47130
812-288-7659 EXT 290
Fax number 812-288-7747
transportation@shoesensation.com
6:00 a.m. -2:00 p.m. EST M-F

In order to provide premium service to our stores while maintaining the lowest possible distribution cost, shipments for the account of Shoe Sensation, Inc. are to be routed as follows:

ROUTING GUIDE

No Direct shipments to any of our stores!!

TYPE SHIPMENT	WEIGHT (LB.)	CARRIER
Package Shipment	1-200	Fed Ex Ground Collect
LTL Truck Shipment (1)	201-10,000	UPS Freight Collect
Truckload Shipment (1)	10,000+ or over 1200 ft ³	Call for Routing 812-288-7659, ext. 290 6:00 a.m. through 2:00 p.m. EST M-F Please have the following information available when calling for routing: Carton Count/Weight/Shipment Cube Address Shipping From

*******ALL LTL shipments must be tendered to UPS at Class 70*******

All states use UPS.

(1) On LTL and Truckload shipments, the third party bill to be shown on the Bill of Lading is as follows:

Shoe Sensation, Inc.
253 America Place
Jeffersonville, IN 47130
With a ship-to of:
Shoe Sensation Warehouse and Distribution Center
253 America Place
Jeffersonville, IN 47130

All Purchase Orders (PO's) numbers must be listed on the Bill of Lading, along with the total cubic feet of shipment.

For further information, details and clarification concerning routing, vendor compliance and charge backs, or business requirements refer to the attached Agreement of Business or call the Traffic Dept @ 812-288-7659, ext. 290 6:00 a.m. through 2:00 p.m. EST M-F. Or email transportation@shoesensation.com.

SHOE SENSATION, INC

Revised 5/26/2010

Questions regarding the Fed Ex Ground collect program should be directed to Fed Ex at 1-800-762-3725 or Shoe Sensation, Inc. at (812) 288-7659, ext. 290. 6:00 a.m. through 2:00 p.m. EST M-F

Any shipments originating in the Louisville, KY metro area are to be picked up by Shoe Sensation, Inc., truck, which can be scheduled by calling 812-288-7659-ext. 290.

Upon receiving this, the newest routing becomes active and takes precedence over all other routing letters.

Thank you for your cooperation in the implementation of this program. If you have further questions regarding this program, please call (812) 288-7659, ext. 290 or e-mail transportation@shoesensation.com.

All Purchase Orders issued by Shoe Sensation, Inc. or any related are subject to the all conditions set forth in the Shoe Sensation, Inc. Agreement of Business Terms Letter. If you cannot comply with the routing guidelines, advise the traffic department immediately. If a violation occurs, a charge back will be issued.

Only full truckloads are to be released, as practically as possible. Pending shipments are to be held until they can be consolidated into full truckloads (no longer than 1 week). Please call 812-288-7659, ext. 290 or e-mail transportation@shoesensation.com. With concerns, or requests to ship. Multiple PO's must be on one bill and shipped by APPROVED CARRIER.

All Boxes are to be labeled according to final destination:

All shipments are to be pre-packed and labeled for the receiving store as designated on the most current purchase order received. Labels must include all content including receiving store number, purchase order number, case qty, case number of total tendered (1 of 36 etc) LABEL SAMPLE IS ATTACHED. **There are no direct shipments to individual stores; all special orders must be shipped through the Shoe Sensation, Inc Warehouse.**

Bulk Shipments, (shipments ordered for our warehouse) must have been ordered bulk on the most current Purchase order. These Shipments require only one packing slip per PO. Labels should be facing out on the cartons/pallets for efficient processing of merchandise.

Truckload Shipment Loading Requirements:

Full truckload shipments must be loaded in the following order:

Bulk Shipments (shipments with no store designation or warehouse 974 designation) are to be loaded first or at the nose of the trailer. Pre-packed and/or pre-split shipments labeled for the receiving store are to be loaded second or towards the rear of the trailer.

Shoe Sensation, Inc.

253 America Place
Jeffersonville, IN 47130

Vendor Compliance Program REVISED 5-26-2010

Shoe Sensation, Inc. strives for the most efficient processing methods. This is a list of the most common mistakes found in our Vendor Compliance program. Listed below are those shipping policies and violation charges. These policies will be strictly enforced. Violation of any shipping policies will result in a Transportation Adjustment (TA) being issued and the violation adjustment taken from the next remittance to the violating company. A copy of the TA will be included for vendor records.

If you have any questions regarding this program please contact Traffic at transportation@shoesensation.com (812) 288-7659 ext 290
M-F 6:00 a.m. – 2:00 p.m. EST

Shipping Policies	Violation Adjustment
1. You must comply with the specified routing instructions.	\$100.00 plus Actual freight Difference
2. No interlines are permitted without prior written approval.	\$100.00 plus Actual freight Difference
3. Shoe Sensation, Inc. accepts no freight charges on invoices.	All Freight charges on invoices will be removed and not paid.
4. Shipping in an unapproved shipping window per the PO (SHIP DATE) SEE EXAMPLE ATTACHED.	25% of Freight Cost per freight bill
5. Shipping Early without proper dating: Any shipment may be shipped early if and only if each one of the Following criteria has been met: A: The appropriate Shoe Sensation, Inc. buyer authorizes the shipment to be shipped early. B: The invoice reflects dating from the original agreed delivery date. Dating does not start until ORIGINAL dating. If Authorized by appropriate buyer, dating will begin from Delivery. <u>Early shipments will be processed but invoices held until original terms are met.</u>	5% of invoice not to exceed \$500.00
6. Failure to Consolidate/Building Shipments.	\$100.00 plus freight charges
7. Merchandise not palletized or palletized to an inappropriate height. (48X40X84)	\$100.00 per shipment
8. Shipping using wrong carrier classification (LTL delivered by Ground, etc) Other Than Class 70	\$ 5.00/case plus freight difference
9. Loading/labeling/bar-coding violations. Labels must be exposed to outside of pallet.	\$ 10.00 per case
10. Shipping to an unapproved location/ Not shipped within specified time frame	\$ 100.00 per shipment + freight
11. All Purchase Order numbers must be listed on the Bill of Lading.	\$ 25.00 per Purchase Order not listed
12. Packing slip/label not present on every case. Lead carton clearly marked and packing slip attached to outside.	\$ 50.00 per Purchase Order
13. Packing slip/label not containing proper information for efficient processing	\$ 5.00 per case
14. Shipment not packed as ordered.	\$ 5.00 per case
15. Shipments direct to stores instead of DC per routing guide.	\$ 10.00 per case plus cost of freight
16. Release of shipment on wrong date and/or failure to consolidate shipments	\$ 100.00 per shipment + difference
17. Failure to load truckload shipment per routing instructions	\$ 200.00 per truckload
18. Misc. charges: change in weight, need to sort/segregate, change in terms	Actual Charge
19. 128 label /ASN not being utilized.	\$ 5.00 per case
20. Vendors are Required to provide Monthly Statements to Shoe Sensation	\$ 500.00

**Agreement of Business Terms
Shoe Sensation, Inc
And Vendors/Suppliers
REVISED 5-26-2010**

The specifications of this document apply to any trade or shipments made to Shoe Sensation, Inc. or any future trade name operated by Shoe Sensation, Inc.

UPC / Electronic Commerce:

The acceptance of a purchase order from Shoe Sensation, Inc., is confirmation and acknowledgement that we may utilize an EDI provider such as QRS or GEIS for retrieving UPC's or exchanging electronic orders, acknowledgements and information with you. The cost relative to providing this service to Shoe Sensation, Inc. is the responsibility of the Vendor.

Correspondence and phone calls regarding UPC's or electronic commerce should be directed to our corporate address: Shoe Sensation, Inc., EDI Commerce, 253 America Place, Jeffersonville, IN 47130. Phone No. 812-288-7659 Ext 314 or edi@shoesensation.com. If you are not able to EDI, then an exception form for non-EDI compliance needs to be on file.

Do not ship the items on this order prior to supplying the necessary UPC information. A \$10.00 (ten dollar) per case charge back will be attached to any invoice in the event that merchandise is received before the UPC information is supplied. Shipments to Shoe Sensation, Inc. must not be made until the Vendor has established the method and means of UPC and E-Com with Shoe Sensation, Inc.

Shipment and Receiving Terms:

Every shipment by the Vendor must comply with the following guidelines:

- A. Each case must contain a packing slip or content label for that case; however, do not invoice for every case if the shipment has multiple cases.
- B. The purchase order number and store number must be **BOLDLY** printed on the shipment label affixed to the carton. All orders originated by Shoe Sensation, Inc. are specified "Ship complete and cancel the remainder.
- C. We will not accept any special order charge, oversize charge, or other miscellaneous charges of any nature.
- D. All Purchase Orders must be listed on the freight Bill of Lading or Manifest, and include the total cubic feet of the shipment.
- E. Split Shipments are not allowed.

Unauthorized freight charges as well as a \$10.00 per case deduction will be charged to the Vendor for violations. Shoe Sensation, Inc. will pay no handling charges, service fees, oversize charges, special order charges or miscellaneous use charges of any kind.

PURCHASE ORDER NUMBERS PRINTED WITH A STORE NUMBER BESIDE THEM ARE NOT SEPARATE ORDERS THESE ORDERS SHOULD BE CONSIDERED ONE ORDER AND SHIPPED ALONG WITH THE 974 (WAREHOUSE) PORTION ALL ORDERS SHIPPED AS SEPARATE ORDERS WILL BE ISSUED A CHARGEBACK FOR PARTIAL SHIPMENT VIOLATION. EX: PO 12551-933.... 12551-975.... 12551-974 ARE ALL INCLUDED IN THE PO 12551 AND SHOULD BE SHIPPED AS ONE ORDER. SEE EXAMPLES ATTACHED.

Other Requirements:

A. EARLY SHIPMENTS are defined as any shipment received 1 day or more prior to the purchase order delivery date. Such shipments are subject to a penalty as specified in the Vendor Compliance Program. Unless prior approval by our Traffic Department At 812 288-7659 ext 290 6:00 a.m. – 2:00 p.m. EST M-F

C. LATE SHIPMENTS are defined as a shipment received 1 day or more past the purchase order cancel date. Any late shipment will be assessed a reduction in the remittance based on the Vendor Compliance Program.

D. LATE DELIVERY RETURNS AND CANCELLED P.O.'S are subject to a charge back equal to the freight charges inbound and outbound plus a \$10.00 per case penalty for handling and processing the return.

E. TERMS DISCOUNTS will be effective the latter of the actual receiving date of the shipment or the ship date of the purchase order. Any deduction, charge back, processing, or handling fee will be in addition to our standard discount and allowance agreement with the vendor.

Consolidated Warehouse Shipments & Invoicing:

Our buyers regularly issue purchase orders (PO's) for product that specify items, sizes, and store packing detail. All shipments must be clearly marked with the above information and shipped to our Central Distribution Center must be handled with the following criteria:

- Ship to 974 (Central Distribution Center) as specified
- Pack each case and label or mark for appropriate store number that is specified in the Purchase Order

DO NOT:

Create one invoice for each case on the PO. This creates unnecessary work and the potential for more errors.

OPTION:

If your system will not allow for just one consolidated invoice, provided you pack each store separately, you must provide one summary or consolidated invoice to represent the total of all individual invoices.

Accounts Payable Terms:

Vendors are required to provide a system generated monthly statement to Shoe Sensation, Inc. to assist us in payables research.

We do not pay any finance charges or fees on unpaid balances.

We will not research late or unpaid invoices over 12 months old if the Vendor has not notified us via correspondence within 12 months of the dispute, claim, proof of delivery or unpaid invoices.

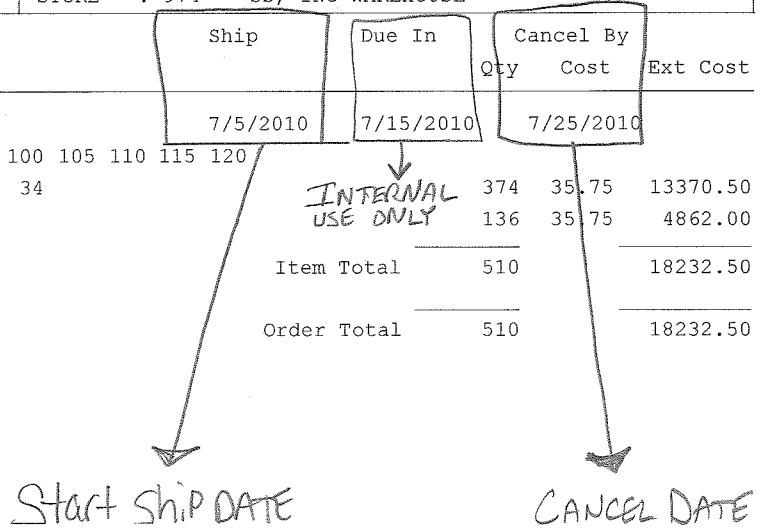
Do not ship the items on this order prior to supplying the necessary UPC information. A \$10.00 (ten-dollar) per case chargeback will be attached to any invoice in the event that merchandise is received before the UPC information is supplied. Shipments to Shoe Sensation, Inc. must not be made until the Vendor has established the method and means of UPC and E-Com with Shoe Sensation, Inc.

PURCHASE ORDER - CONSOLIDATED
 THIS IS ONLY A SUMMARY OF THE PURCHASE ORDER. DO NOT SHIP FROM THIS PAGE

B I L L T O SHOE SENSATION, INC 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659		P.O. # : 13917 ORDERED : 2/4/2010 VENDOR : NEW BALANCE 10 INTERNATIONAL WAY LAWRENCE, MA 01843
S H I P T O SS, INC WAREHOUSE 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659		TERMS : 7% 30 DAYS SHIP VIA: SHOE SENSATION ROUTING GUIDE SALESMAN: CHARLIE HERWEHE PHN/FAX : 008-003-4346 STORE : 974 SS, INC WAREHOUSE

Mfg Style	Item Number	Description	Ship	Due In	Cancel By	Qty	Cost	Ext Cost
WW615KM	WW615KM	WW615KM SGK CURE	7/5/2010	7/15/2010	7/25/2010			
	040 045 050 055 060 065 070 075 080 085 090 095 100 105 110 115 120							
B		34 34 34 68 68 34 34 34 34				374	35.75	13370.50
D		34 34 34 34				136	35.75	4862.00
						Item Total	510	18232.50
						Order Total	510	18232.50

PACK BY STORE...SHIP TO WAREHOUSE



Example

PURCHASE ORDER

PO#

B I L L T O SHOE SENSATION 956 397 MARKET SQUARE DRIVE MAYSVILLE, KY 41056 606-759-1190		P.O. # : 13917-956 ORDERED : 2/4/2010 VENDOR : NEW BALANCE 10 INTERNATIONAL WAY LAWRENCE, MA 01843	Store number is not part of actual PO#.
S H I P T O (PACK FOR) SHOE SENSATION 956 397 MARKET SQUARE DRIVE MAYSVILLE, KY 41056 606-759-1190 *Per routing, all orders are shipped to warehouse.		TERMS : 7% 30 DAYS SHIP VIA: SHOE SENSATION ROUTING GUIDE SALESMAN: CHARLIE HERWEHE PHN/FAX : 008-003-4346 STORE : 956 SHOE SENSATION 956	

Mfg Style	Item Number	Description	Ship	Due In	Cancel By	Qty	Cost	Ext Cost
WW615KM	WW615KM	WW615KM SGK CURE	7/5/2010	7/15/2010	7/25/2010			
	040 045 050 055 060 065 070 075 080 085 090 095 100 105 110 115 120							
B		1 1 1 2 2 1 1 1 1				11	35.75	393.25
D		1 1 1 1				4	35.75	143.00
						Item Total	15	536.25
						Order Total	15	536.25

" PACK BY STORE...SHIP TO WAREHOUSE "

SPECIAL NOTES FIELD

Example

B I L L T O SHOE SENSATION, INC 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659			P.O. # : 13917-974 (Warehouse #) ORDERED : 2/4/2010 VENDOR : NEW BALANCE 10 INTERNATIONAL WAY LAWRENCE, MA 01843		
S H I P T O SS, INC WAREHOUSE 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659			TERMS : 7% 30 DAYS SHIP VIA: SHOE SENSATION ROUTING GUIDE SALESMAN: CHARLIE HERWEHE PHN/FAX : 008-003-4346 STORE : 974 SS, INC WAREHOUSE		

Mfg Style	Item Number	Description	Ship	Due In	Cancel By	Qty	Cost	Ext Cost
WW615KM	WW615KM	WW615KM SGK CURE	7/5/2010	7/15/2010	7/25/2010			
	040 045 050 055 060 065 070 075 080 085 090 095 100 105 110 115 120							
B		9 9 9 18 18 9 9 9 9				99	35.75	3539.25
D		9 9 9 9				36	35.75	1287.00
						Item Total	135	4826.25
						Order Total	135	4826.25

PACK BY STORE...SHIP TO WAREHOUSE

* ORDERS FOR Warehouse are BULK BY SIZE... unless otherwise noted. Warehouse = #974.

Example

<p style="text-align: center;">B I L L T O</p> SHOE SENSATION, INC 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659	P.O. # : 13917 ORDERED : 2/4/2010 VENDOR : NEW BALANCE 10 INTERNATIONAL WAY LAWRENCE, MA 01843
<p style="text-align: center;">S H I P T O</p> SS, INC WAREHOUSE 253 AMERICA PLACE JEFFERSONVILLE, IN 47130 812-288-7659	TERMS : 7% 30 DAYS SHIP VIA: SHOE SENSATION ROUTING GUIDE SALESMAN: CHARLIE HERWEHE PHN/FAX : 008-003-4346 STORE : 974 SS, INC WAREHOUSE

Mfg Style	Item Number	Description	Ship	Due In	Cancel By	Qty	Cost	Ext Cost
WW615KM	WW615KM	WW615KM SGK CURE	7/5/2010	7/15/2010	7/25/2010			
	040 045 050 055 060 065 070 075 080 085 090 095 100 105 110 115 120							
B	34 34 34	68 68 34 34 34 34				374	35.75	13370.50
D		34 34 34 34				136	35.75	4862.00
						Item Total	510	18232.50
						Order Total	510	18232.50

PACK BY STORE...SHIP TO WAREHOUSE

This is the summary PAGE of the order.. Do Not Duplicate.

Example

From: *Your Company Name*

TO:
SHOE SENSATION
263 AMERICA PLACE

JEFFERSONVILLE IN 47130

Ship To Post
(420) 47130



CARRIER

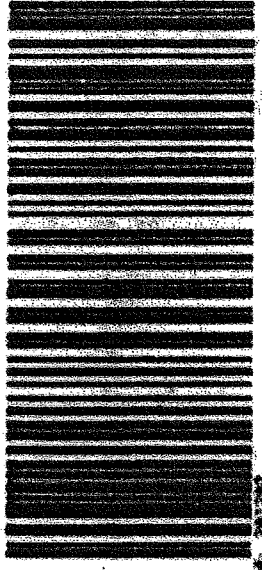
PO: 11434
DEPT:

FOR (91) 00943

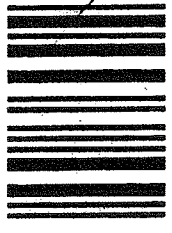


943
Store #

(00) 0 00 53419 347017201 8



04-10-2010 1:09:33 PM CARTON CONTENTS PAGE: 1
CARTON#: 00000534493470172018 PKT#: 201203
CUST PO: 11434
CARR:
BOL#:



3106

LN	LOCN	SKU	CUST SKU	QTY
1	SR00001	86338 M 070		1
2	SR00001	86338 W 075		1
3	SR00001	86338 W 080		1
4	SR00001	86340 M 080		1
5	SR00001	86340 M 085		1

CARTON 1 OF 25

Total Qty : 5



ASN VENDOR LABEL

CONTENT LABEL

LEAD CARTON

This Carton must include packing
slip & total cartons for P.O.
On end of Carton.

SHOE sensation, inc

Distribution Center • 253 America Place • Jeffersonville, IN 47130

Rhonda Himebaugh Receiving Lead

812-288-7659 ext 350

Debbie Hudson Accounting

812 288-7659 ext 331

TRAFFIC/VENDOR COMPLIANCE-VIOLATIONS

DATE: _____ EMPLOYEE: _____

VENDOR: _____ P.O.#: _____ CARTON COUNT: _____

VIOLATIONS

NOT PALLETIZED: _____ \$100.00/SHIPMENT

NOT BARCODED: _____ \$5.00/CTN

UPC CHANGED WITHOUT NOTICE: _____ \$10.00/CTN

WRONG P.O.#: _____ \$10.00/CTN WRONG STORE #: _____ \$10.00/CTN

PARTIAL SHIPMENT: _____ \$5.00/CTN OVER SHIPMENT: _____ \$5.00/CTN
Without Buyer Approval

DOES NOT MATCH ORDER: _____ \$10.00/CTN
EX: wrong styles/wrong sizes/bulk not packed for stores

SHIPMENT NOT CONSOLIDATED: _____ \$100.00/SHIPMENT + FREIGHT
(Multi PO 1 Bill of Lading)

LABEL INCORRECT (ex: missing store #/missing p.o. #/packing slip on outside of carton): _____
\$5.00/CTN

LOADING VIOLATION: _____
(PER ROUTING GUIDE) EX: PO's loaded together, 974 nose of trailer, store #'s in rear of trailer \$10.00/CTN

SHIPPED EARLY: _____ \$100.00/SHIPMENT + FRT

SHIPPED LATE: _____ \$100.00/SHIPMENT + FRT

COMMENTS: _____

