



January 19, 2010

**NOTICE OF PROCEDURAL CHANGE TO
BLOOMINGDALE'S AND MACYS.COM FREIGHT TERMS**

Effective February 1, 2010, Macy's is extending the freight collect policy and will be applying it to all of Bloomingdale's non-Furniture/Bedding merchandise and to macys.com merchandise. Specifically:

1. All shipments within a Commercial Zone are to be shipped freight collect, except shipments of merchandise that remain specifically excluded from the freight collect policy, as stated in Item #4, below.
2. All backorders are to be shipped freight collect, except shipments of merchandise excluded from the freight collect policy, also as stated in Item #4 below.
3. All freight collect shipments must be submitted via macysnet.com, including shipments within a Commercial Zone and backorders, regardless of weight, cube and number of cartons.
4. The following continue to be **excluded** from Bloomingdale's and Macys.com freight collect policy and are to continue to be shipped in accordance with applicable instructions in Macy's Routing Guide: **Furniture and Bedding, Jewelry, Confections, and Direct to Store**. Vendors that are shipping backorders and/or shipping within a Commercial Zone are to ship freight collect and a transportation freight allowance will be required to cover all or a percentage of the cost of shipping.¹
5. Vendors that fail to comply with these instructions may receive expense offsets for so long as they continue to ship freight prepaid.
6. In order to avoid expense offsets unrelated to shipping policy violations, please comply with all applicable provisions of the Macy's Vendor Standards.
7. This Notice of Change supersedes any contrary provisions of the Macy's Routing Guide.

Please continue to refer to macysnet.com for Macy's Vendor Standards, including Routing Guide materials, which are being updated to reflect this Procedural Change. Please note that the materials posted at macysnet.com are updated regularly and should be reviewed periodically in order to confirm that vendors are using current information.

If you have any questions concerning the Macy's and Bloomingdale's freight collect policy generally or this notice, please contact the Macy's Transportation Office at 678 406-7200.

¹ As stated in Macy's May 2009 announcement of the freight collect policy, freight allowances that cover all or a portion of the cost of shipping will be required to avoid any unintended economic effects. Accordingly, the same principle will be applied to backorders and Commercial Zone shipments.