



TO: All Goody's Vendors

FROM: Jeremy Tanarungsekul- Vendor Relations

SUBJECT: Revised Policy on "LATE" Shipments

DATE: March 28, 2007

---

**Effective May 15, 2007, Goody's will be changing its policy regarding LATE shipments:**

- The new policy will be effective for all PO's with an original cancel date of May 15, 2007 or later.
- Per our new policy, the LATENESS of a shipment will be determined by the **ORIGINAL** cancel date of the Purchase Order.
- Any revised 'extended' cancel date made to the Purchase Order will not be considered. Goody's generates such extensions to fulfill systematic requirements just to be able to RECEIVE late shipments. These extensions are **not** authorizations to ship after the original cancel date without penalty.
- The resulting chargeback for a Late Shipment will be calculated as follows (*If Goody's elects to keep the shipment and extend the order*):
  - 1-4 days after original cancel: **2% of Invoice**
  - 5 days after original cancel: **5% of invoice**
  - More than 5 days after original cancel: **1% per day (ie. 6 days late = 6%, 7 days late = 7%, etc)**
  - 10 days or more after original cancel: **Right to refuse order and return to vendor; otherwise, 1% per day charge continues to accrue**

**EXAMPLE**

- Purchase Order 12345 has an original cancel date of 6/1/07
- The vendor cannot ship this until 6/7.
- The vendor calls the buyer, who extends the cancel date to 6/8.
- The vendor can then obtain an appointment and ship the PO on 6/7
- The vendor will be assessed a UC-4 Late Shipment charge for shipping 6 days after the original cancel date.

As always, if you have any questions regarding this or any other Vendor Relations directive, feel free to contact this office directly at 865-966-2000, ext 1676 or 1272.

Thank you for your continued help and support of Vendor Relations at Goody's!

Sincerely,

Goody's Office of Vendor Relations

**GOODY'S**  
FAMILY CLOTHING™