

Non-Compliance Chargeback Table

Bon-Ton has established a policy to recover costs incurred due to a vendor failing to meet company standards. The Chargeback Rules detailed below represent the charge per occurrence and are in addition to any freight and RTV chargebacks. These charges apply to all divisions of The Bon-Ton Stores, Inc.

Please Note: Multiple violations against a single purchase order can result in multiple expense offset deductions. Violations are based on individual occurrence and location. Repeated failure to correct issues can create an escalation of non-compliance violations at 'tiered' (T) levels. T2 > 5 violations, T3 >10 Violations.

***Changes to this document are highlighted in light blue.**

Basis: P=Pallet, S=Shipment, C=Carton, U=Units, O=Order, X=Other

Freight Applicable Y=Yes, N=No

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
0702	General AP Vendor Violations	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3300	Multiple PO# on 1 invoice	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3301	Duplicate paper Invoice sent	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3302	Both Bulk and Store Invoice sent	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3303	Duplicate Invoice# in same year	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3304	Multiple Invoices per store per shipment	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3309	Wrong Terms	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3310	No/Invalid PO#	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3311	No/Invalid Store#	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3312	EDI Vendor also sending paper invoices	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3313	Inv\$ + Mdse\$ not = InvLine Total	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3314	Multiple Invoices same No# for different stores	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3315	Vendor using Bulk/DC# instead of store#	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3316	No BT style#'s or style details	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3317	Re-Transm EDI invs w/o Approval	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3318	Unauthorized Charge/Credit on Invs	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3319	Vendor using St# instead of Bulk#	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3320	Multi requests to vendor for invs	N	O	\$100/per PO		T2: \$200; T3: \$300; T4: \$400	Accounts Payable
3321	Continued requests for info available on VSS	N	X	\$100/per Occurrence		T2: \$200; T3: \$300; T4: \$400	Accounts Payable

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
18	Delivery Appointment, Prepaid/Vendor Carrier: Late/no show for appointment or failure to reschedule with 24 hour notice to the original appointment	N	S	\$250/occurrence			Transportation
50	Failure to use VICS bill of lading - info found at www.vics.org	N	S	\$250/occurrence			Transportation
65	Failure to show Order Number on Bill of Lading	N	S	\$250/BOL			Transportation
80	All PO's not listed individually on bill of lading	N	S	\$250/BOL			Transportation
115	Inaccurate or insufficient information on the bill of lading, addition of manifests, packing lists or supplements	N	S	\$250/BOL			Transportation
116	Unauthorized Special Instructions or Notes added to Collect Bill of Lading	N	S	\$250/BOL			Transportation
160	ASN does not match bill of lading or Portal Entry	Y	S	\$250/occurrence			Transportation
200	Incorrect carrier routing, failure to follow Freight Routing Notification	Y	S	\$250 + Full Freight			Transportation
220	Truck ordered and not used	Y	S	\$250 + Carrier Charges			Transportation
225	Failure to sort and segregate consolidation shipments by DC Destination.	Y	S	\$250 + Carrier Charges			Transportation
230	Vendor Failure to Ship Using Home Delivery Service for Small Package Shipments,	Y	S	\$25			Transportation
231	Vendor Shipped Small Package Using First Priority Overnight or Priority Overnight Service Level.	Y	S	\$25			Transportation
232	Commerce Hub Vendor Shipped to Customer Using Incorrect Small Package Carrier.	Y	S	\$25			Transportation
233	Vendor Shipped to Distribution Center Using Incorrect Small Package Carrier.	Y	S	\$250 + Carrier Charges			Transportation
235	More than two shipments in a week from the same origin to the same destination, excluding full truckload	Y	S	\$250 + Full Freight			Transportation
255	Vendor shipped on consecutive days, from same origin to same destination, excluding full truckload	Y	S	\$250 + Full Freight			Transportation
270	Failure to consolidate same day shipments from same origin to same destination, excluding full truckload	Y	S	\$250 + Full Freight			Transportation
275	California Commercial Zone	Y	S	50% Freight Cost			Transportation
280	Unauthorized freight invoice or insurance	Y	S	Full Freight + \$150.00 / per invoice			Transportation
281	Chassis Detention	Y	S	Per Invoice			Transportation
290	New York / New Jersey Commercial Zone	Y	S	\$1.75 per carton			Transportation
296	Inaccurate P.O. information : -Did not ship all P.O.s included on the Order Number -Shipped P.O.s that were not included on the Order Number	Y	S	\$350 + Full Freight			Transportation
297	Inaccurate cube entered into the Vendor Portal	Y	S	\$350 + Full Freight			Transportation
298	Inaccurate handling units entered into Vendor Portal	Y	S	\$350 + Full Freight			Transportation
299	Inaccurate NMFC detail entered into the Vendor Portal	Y	S	\$350 + Full Freight			Transportation
300	Inaccurate Vendor Portal information	Y	S	\$350 + Full Freight			Transportation

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
301	Inaccurate shipment weight entered into the Vendor Portal Weight Criteria: 5% or 60 lb. variance allowance between Vendor Portal entry and final BOL	Y	S	\$350 + Full Freight			Transportation
320	Merchandise shipped to the wrong distribution center	Y	S	\$150 to \$1,000 per instance plus full inbound & outbound freight (Note: outbound freight will be included in expense offset)			Transportation
321	Return of wild freight	Y	S	\$250 + Full Freight			Transportation
1531	Freight not ready at scheduled pick up time	N	S	\$250/occurrence			Transportation
1860	Incorrect SCAC Code in ASN	N	S	\$250/occurrence			Transportation
1895	Agreed upon freight expense arrangement	Y	S	Per Agreement			Transportation
1973	Driver assist; unload, load, lumper, count	Y	S	\$250 + Carrier Charges			Transportation
1975	Failure to use Vendor Portal to route shipment.	Y	S	\$250/occurrence			Transportation
2032	Pick up delayed at Vendor shipping location	Y	S	\$350 + Carrier Charges			Transportation
2057	Merchandise delivered direct to store without approval	N	S	\$250/ per store shipped			Transportation
2063	Prepaid carrier accessorial charges	Y	S	\$250 + Accessorial Charges			Transportation
2066	Shipper's failure to notify transportation via Vendor Portal entry at least 2 days in advance of shipment availability. Shipments entered into the Vendor Portal after 1400 EST will be considered entered the following business day.	N	S	\$350/occurrence			Transportation
2073	Small package shipment failed to note Purchase Order number in reference field	N	S	\$150.00			Transportation
2075	Critical / inexcusable error - Detail by incident	Y	S	Charge determined by issue			Transportation or Vendor Relations - determined by issue
325	Early shipment	Y	O	\$25.00 per carton + Frt.	\$500.00		Vendor Relations
330	Late shipment	Y	O	\$25.00 per carton + Frt.	\$500.00		Vendor Relations
337	PO Invalid /Order cancelled / not approved	Y	S	\$150.00	\$150.00		Vendor Relations
345	Carton marking missing or incorrect store, store name, or PO number	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
350	Correct dept. # not listed on carton label	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
460	Shipment with straps, bands, burlap or plastic	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
470	UCC-128 label not in scannable location	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
475	No UCC-128 label on carton	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
480	Non-readable or unscannable UCC-128 label / Duplicate UCC-128 label	N	S	\$50.00 + \$7.50 / Ctn	\$250.00	T2/\$10/Ctn; T3/\$15/Ctn	Vendor Relations
485	Duplicate transmission	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
490	Human readable # does not match scan	N	S	\$50.00 + \$7.50 / Ctn	\$250.00	T2/\$10/Ctn; T3/\$15/Ctn	Vendor Relations

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
650	Style Substitution	Y	O	3% Cost of substituted style/s + FRT	\$300.00		Vendor Relations
655	Size Substitution	Y	O	3% Cost of size substitution style/s + FRT	\$300.00		Vendor Relations
660	Color Substitution	Y	O	3% Cost of subbed color/s + FRT	\$300.00		Vendor Relations
661	UPC not on PO / unordered merchandise	Y	O	3% Cost of unordered style/s + FRT	\$300.00		Vendor Relations
665	Style over shipment	Y	O	3% Cost of over shipped style/s + FRT	\$300.00		Vendor Relations
690	Shipped as bulk / ordered by store	N	S	\$150.00	\$150.00		Vendor Relations
700	Shipped by store / ordered as bulk	N	S	\$150.00	\$150.00		Vendor Relations
730	Shipped flat - ordered on hangers	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
745	No UPC ticket	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
750	UPC Not scannable / Poor quality	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
755	UPC does not have human readable numbers or does not scan same as human readable #'s	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
756	UPC barcode or font size less than minimum required	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
770	UPC does not match catalog	N	S	\$5.00 per UPC Keyed	\$300.00		Vendor Relations
775	Wrong UPC - does not match merchandise	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
780	Tickets on merchandise are for another retailer	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
785	Missing/Incorrect/inaccurate size Strips	N	S	\$50.00 + .50/unit	\$300.00		Vendor Relations
786	Incorrect size strip placement	N	S	\$50.00 + .50/units	\$300.00		Vendor Relations
795	Ticket not industry standard	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
805	Failure to use VICS Color/Size ticket	N	S	\$50.00 + .10/unit	\$300.00		Vendor Relations
810	UPC not in scannable location	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
815	No retail on merchandise	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
825	Retail does not match PO	N	S	\$100.00 + \$1.00/units	\$300.00		Vendor Relations
830	Vendor style not on merchandise and / or ticket	N	S	\$150.00			Vendor Relations
845	Folded item - wrong or missing size strips	N	S	\$300.00			Vendor Relations
895	Other random ticket errors	N	X	Determined by Issue	\$300.00		Vendor Relations
940	Carton dimensions outside minimum / maximum specified	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
955	Carton weight outside maximum	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
975	Request of claim copy or research on claim >6 months	N	X	\$50.00 / PER CLAIM			Vendor Relations
980	Hanging merchandise not on hangers	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
981	Merchandise not on Black Matte Hanger (as required)	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
982	No S.O.H. Sizer (where required)	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
990	Wrong hanger type	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
991	Incorrect women's swimwear hanger (TBD).	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
996	UPC ticket with store nameplate	N	S	\$100 + \$1.00 per unit	\$300.00		Vendor Relations
1015	Unnecessary packing materials - pins	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
1050	Incorrect size strip on product	N	S	\$50.00 + .50 per unit	\$300.00		Vendor Relations
1105	UPC not on catalog at order entry or receipt	N	S	\$5.00 per UPC Keyed	\$300.00		Vendor Relations
1110	Keying charge for advanced UPC entry	N	S	\$5.00 per UPC Keyed	\$300.00		Vendor Relations
1115	UPC catalog required correction	N	S	\$5.00 per UPC Keyed	\$300.00		Vendor Relations
1120	UPC catalog changes after order entry	N	S	\$5.00 per UPC Keyed	\$300.00		Vendor Relations
1125	ASN Carton Contents don't match ASN	N	S	\$50.00 + \$7.50 / Ctn	\$250.00	T2/\$10/Ctn; T3/\$15/Ctn	Vendor Relations
1130	UCC128 carton label doesn't match ASN	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
1135	ASN missing carton detail(s)	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
1140	ASN missing BOL or has incorrect DC - ASN fatal error	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
1150	No or unusable ASN at time of receipt	N	O	\$50.00 + \$7.50 / Ctn	\$250.00	T2/\$10/Ctn; T3/\$15/Ctn	Vendor Relations
1155	ASN technically wrong	N	S	\$450.00			Vendor Relations
1395	Multiple PO's listed on a single carton	N	S	\$250	\$250.00		Vendor Relations
1400	Multiple Departments listed on cartons	N	S	\$250	\$250.00		Vendor Relations
1405	Multiple stores listed on carton	N	S	\$250	\$250.00		Vendor Relations
1415	Concealed shortage	Y	S	3% style cost of concealed shortage	\$300.00		Vendor Relations
1420	Concealed overage	Y	S	3% style cost of concealed overage	\$300.00		Vendor Relations
1425	Concealed style sub	Y	S	3% style cost of concealed overage	\$300.00		Vendor Relations

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
1430	Concealed color sub	Y	S	3% style cost of concealed color sub	\$300.00		Vendor Relations
1435	Concealed size sub	Y	S	3% style cost of concealed size sub	\$300.00		Vendor Relations
1700	Removed from straight to dock - manually processed / audited	N	O	.5 to 2.0% Value of shipments in fiscal month		T1- .5% - Marginal; T2 - 1.0% - Below Expectation; T3 - 2.0% - Unacceptable	Vendor Relations
1805	Failure to receive electronic PO (850)	N	O	\$100.00	\$100.00		Vendor Relations
1810	ASN Sent Late, goods held for ASN arrival	N	S	\$5.00/Ctn	\$250.00		Vendor Relations
1880	Incorrect Address (city, state or zip) on ASN	N	S	\$250.00	\$250.00		Vendor Relations
1915	Outer carton not labeled master packed, or 'Open for Distribution', inner carton not packed / labeled by store	N	S	\$250.00	\$250.00		Vendor Relations
1916	Inner pack not a carton (no bags)	N	S	\$250.00	\$250.00		Vendor Relations
1917	Inner carton not reshippable	N	S	\$250.00	\$250.00		Vendor Relations
2030	Insufficient packing or packaging	N	S	\$250.00	\$250.00		Vendor Relations
2049	Multiple barcodes on cartons	N	S	\$50.00 + \$7.50 / Ctn	\$250.00		Vendor Relations
2050	Label adhesive damaged product	N	S	\$50.00/receipt+costs or 100% cost	\$300.00		Vendor Relations
2074	Miscellaneous and inexcusable violation / detail by incident.	N	S	\$300.00	\$300.00		Vendor Relations
2079	Shipping carton strength not min 200# or 32 ETC corrugated	N	S	\$50.00 + \$3.00 / Ctn	\$250.00		Vendor Relations
2085	Failure to Masterpack ctns under size dimension minimum	N	S	\$50.00 + \$3.00 / Ctn	\$250.00		Vendor Relations
2086	Masterpacking cartons over size dimensions 10"x9"x4"	N	S	\$50.00 + \$3.00 / Ctn	\$250.00		Vendor Relations
2087	Carton sealed incorrectly (not taped H method)	N	S	\$50.00 + \$3.00 / Ctn	\$250.00		Vendor Relations

The Bon Ton Vendor Relations Team is pleased to introduce BonTon's Vendor Compliance Web Portal. The initial launch of the Web portal will allow Vendors to do the following:

- View vendor compliance issues for a rolling 12 month period
- View photos and other supporting chargeback data
- Download individual compliance chargeback details
- Dispute vendor compliance chargebacks
- View status of disputes: www.bt.compliancenetWORKS.com

CORRESPONDENCE ADDRESSES

Accounts Payable

The Bon-Ton Stores, Inc.
Attention: Accounts Payable
601A Memory Lane
P.O. Box 2821
York, PA 17402
(717) 751-8830

ap@bonton.com

Transportation

Rule	Rule Description	Freight	Basis	Expense Offset Deduction	Min	Tier (T)	Category
	<p>The Bon-Ton Stores, Inc. Attention: Transportation 3585 South Church St. Whitehall, PA 18052 (610) 261-3230</p> <p><u>Vendor Relations</u></p> <p>The Bon-Ton Stores, Inc. Attention: Vendor Relations 1340 Dayton Yellow Springs Road Fairborn, OH 45324 (937) 873-8288 X 3504</p>						
				vendor.compliance@bonton.com			
				vendor.compliance@bonton.com			