

# BIG LOTS!



## Vendor Routing and Compliance Guide

### Domestic Merchandise Vendors

Version 4.4 – February 2020

Dear Valued Vendor Partner,

We have added and/or made changes to our routing guide version 4.4 in response to changes in our business and questions from our vendor partners.

The following changes have been made from routing guide version 4.3:

- Added carrier requirements related to the Apple Valley Distribution Center (pages 20 and 22)

The following changes have been made from routing guide version 4.2:

- Clarified that PO date extensions do not exempt from late route/ship/deliver compliance penalties (page 15)
- Clarified requirement that prepaid shipments not routed may result in a compliance penalty (page 19)
- Added list of preferred prepaid LTL carriers (page 19)
- Added restriction that box trucks with lift gates cannot be used for prepaid deliveries (page 19)
- Clarified that prepaid routing requests not scheduled will result in a vendor performance deduction (page 19)
- Clarified the routing requirements for prepaid and collect shipments (pages 19 and 21)
- Added second e-mail for scheduling prepaid inbound appointments (pages 19 and 22)
- Clarified that prepaid routing requests must have a carrier SCAC code entered (page 21)
- Clarified requirement for notifying Big Lots regarding temperature sensitive product (page 21)
- Added verbiage regarding the use of roll door trailers for pickups (page 28)
- Added Chep and Peco account numbers for Apple Valley, CA DC (page 29)
- Changed Vendor Compliance dispute window from 60 to 90 days (page 34)
- Updated vendor performance scorecard goals (page 34)
- Clarified department contact for compliance and non-compliance charges (pages 34 and 37)
- Added instruction to contact Vendor Compliance for shipping collect direct-to-store POs (page 35)
- Updated contacts list (page 38)

To increase supply chain productivity, both for Big Lots Stores, Inc. and its affiliates and subsidiaries (collectively “Big Lots”) as well as for all our business partners, we are providing you with a revised Vendor Routing and Compliance Guide (the “Guide”). The Guide will help both Big Lots and our vendors avoid the costly and time-consuming steps involved in identifying errors, determining the cause of the errors and taking the necessary actions to correct such errors. In addition, compliance with the Guide will reduce transportation costs and service delays by eliminating misinterpretation of routing instructions. Improvements in routing compliance will improve cycle time, lower costs and improve merchandise availability - thus improving SALES for Big Lots and you!

The faster we get your merchandise to our sales floors, the greater the benefit for all involved. Goods will be in season, allowing for better turns and more orders and reorders. The benefits gained by all of us depend on your adherence to our shipping and packing guidelines. Accordingly, please note as of August 1, 2006 Big Lots began enforcing deductions for shipments to Big Lots that are not made in compliance with our Vendor Routing and Compliance Guide.

The Vendor Routing and Compliance Guide contains a complete listing of all deduction issues for violations of our packing, routing and shipping guidelines. As you know, the Vendor Routing and Compliance Guide is an integral part of our purchase orders. Your attention is directed to the Vendor Routing and Compliance Guide and the individual purchase orders for the complete statement of terms and conditions applicable to each purchase order.

For an explanation of these violations and to view the complete Vendor Routing and Compliance Guide, please go to our corporate web page at <http://www.biglots.com> and click the **Corporate Information Site** link, then **For Vendors** link, or go directly to the following link: <http://www.biglots.com/corporate/vendors/routing-and-compliance> then click Vendor Routing and Compliance Guide. Our intention is to work with our vendors, so we can move product efficiently through our supply chain. Any questions pertaining to traffic, please contact our Traffic Department at 866-823-9501. All other inquiries can be addressed with our Vendor Compliance Department (see contacts on page 38), or by sending an e-mail to [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com) .

Thank you,



Lisa Bachmann  
Big Lots, Inc.  
Executive Vice President, Chief Merchandising and Operating Officer

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## **INTRODUCTION**

Big Lots and its affiliates and subsidiary companies (“Big Lots”) are dedicated to the continued development of strong relationships with its vendors to ensure the timely and efficient delivery of merchandise to our distribution centers and stores. The Guide is intended to incorporate all vendor related transportation policies and procedures for both distribution center and store orders. The Guide includes instructions for shipment documentation, labeling, packaging, billing and our routing compliance policies.

We look forward to continued growth in our relationship with you, and appreciate your adherence to our policies and instructions.

### **About Big Lots**

Big Lots, based in Columbus, Ohio, operates over 1,400 Big Lots stores in 47 states and have annual sales of over \$5.2 billion. We see shoppers, colleagues, and vendor partners as trusted friends, bringing affordable solutions in every season and category – furniture, food, décor, and more! Our Vision is to be the BIG difference for a better life by delivering unmatched value through surprise and delight, by building a “best places to work” culture, by rewarding our shareholders with constant growth and top-tier returns, and by doing good as we do well.

### **Our Mission Statement: We help people live BIG and save LOTS**

We want to be the BIG difference for our core customer Jennifer by delivering unmatched value, showing value and development for our associates, and creating growth for our shareholders.

### **General Instructions**

The Big Lots Logistics strategy is designed to ship goods in an efficient, accurate and timely manner. To support this process and our ultimate relationship with you, our valued vendor, our packaging, routing and shipping requirements must be adhered to. If you have any questions regarding the Guide, please call the Big Lots Vendor Compliance Department (see contacts on page 38), or by sending an e-mail to [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com).

For purposes of the Guide, a “shipment” is defined as all cartons shipped to a single Big Lots distribution center or store location in a single day from a single origin point.

The following instructions are applicable to **all** domestic vendors shipping merchandise. This includes vendors shipping either **prepaid**, **collect** or through a **third party**. The instructions apply to shipments going to all facilities listed on p. 38 of this Guide. Specific requirements for direct to store shipments can be found on p. 35 of this Guide.

### **How to use the Guide**

The Guide is posted on the web at <http://www.biglots.com> and click the **Corporate Information Site** link, then the **For Vendors** link, or go directly to the following link: <http://www.biglots.com/corporate/vendors/routing-and-compliance> then click Vendor Routing and Compliance Guide. In addition to the Guide, supporting information to enable vendors to ship to our DCs and stores is available. Information includes a complete store address list, DC receiving hours of operation and drop days.

### **Effective Date**

Version 4.4 of the Guide is in effect as of February 1, 2020. Vendors must follow the routing instructions detailed in the Guide.

The revised version of the Guide (4.4) will supersede all previous versions. Big Lots will monitor notification of receipt of the compliance guide. Big Lots will notify you of any updates to the Guide via email and from our compliance web portal.

## **Section 1: Supplier Code of Conduct**

Big Lots is committed to responsible business conduct. Respect for human rights and ethical business dealings are fundamental principles of our business practices and standards. We expect all our vendors, suppliers, manufacturers, contractors, subcontractors and their agents (collectively, “suppliers”) to share those principles and uphold our standards. Suppliers must also conduct their business with a high level of integrity and maintain transparent and accurate records. Please refer to Big Lots’ Vendor Routing & Compliance Guide for domestic vendors for additional information pertaining to each standard, including the applicability of local laws and international conventions as well as implementation expectations.

If we find a supplier is not in compliance with the Big Lots Supplier Code of Conduct, we will require immediate corrective action. Big Lots will not partner with suppliers and factories that are unwilling or unable to work with us to achieve our compliance standards.

We require our suppliers to abide by the following standards:

### **Supplier Code Of Conduct**

#### **Compliance with the Law**

Compliance with all laws, rules and regulations.

#### **Minimum Wages and Benefits**

Payment to workers of the minimum wage prescribed by local law or the prevailing local industry wage, whichever is higher; provision to workers of benefits that conform to the better of applicable local law or prevailing local industry standards; and payment to workers of overtime compensation in compliance with all applicable laws.

#### **Maximum Working Hours**

Overtime shall be limited to a level consistent with humane and productive working conditions. Workers shall not be required, on a regularly scheduled basis, to work in excess of 60 hours (or lower if prescribed by local laws or local industry standards) per week; and, generally, workers shall be provided with at least one day off in seven.

#### **No Forced Labor**

Prison, indentured, bonded, involuntary or slave labor or labor obtained through human trafficking shall not be used.

#### **No Child Labor**

All workers shall be at least the local minimum legal working age or ILO standard, whichever is higher.

#### **Health and Safety**

The work environment shall be safe and healthy.

#### **Nondiscrimination**

Workers shall be selected only on the basis of their ability to do the job and not on the basis of other personal characteristics or beliefs.

#### **No Corporal Punishment**

Neither corporal punishment nor any other form of physical or psychological coercion shall be used against workers.

#### **Freedom of Association**

The lawful exercise of workers' rights of free association shall be respected and not restricted or interfered in, and workers lawfully exercising those rights shall not be threatened or penalized.

#### **Environment**

Suppliers must comply with all applicable environmental laws and regulations.

#### **Access**

For the purpose of monitoring compliance with our policies, the company, subcontractors and its agents shall be given unrestricted access to all production facilities and dormitories and to all relevant records, whether or not notice is provided in advance.

**Subcontracting**

Big Lots requires all suppliers and subcontractors to fully comply with this Code of Conduct. Big Lots does not allow unauthorized subcontracting. A formal request must be submitted to Big Lots for approval, should a supplier require subcontracting.

**Anti-Corruption/Anti-Bribery**

Suppliers must comply with all applicable anti-corruption and anti-bribery laws, rules and regulations.



## **Section 2: Quick Reference Guide**

The following is a high-level summary of guidelines to follow when shipping merchandise to Big Lots. **This is not an all-inclusive list of guidelines** but highlights critical items in each area. Each item is linked to a more detailed section within the guide.

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### **1. PURCHASE ORDERS (PAGE 15)**

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- Vendors must adhere to all dates on the PO; exceptions must be immediately communicated to the buyer.
- Any exceptions with items/case packs must be immediately communicated to the buyer.

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### **2. EDI**

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- VENDOR EDI REQUIREMENT (page 17): All vendors in the Never-Out (NVO) Replenishment Program are required to be on EDI with Big Lots within two months of receiving their first replenishment purchase order. High volume vendors (over 60 domestic shipments/year) not in the NVO program are strongly encouraged to be set up on EDI.
- ADVANCED SHIPMENT NOTIFICATIONS (page 17): All EDI vendors are expected to send ASNs to Big Lots. The ASN must be in full compliance with Big Lots 856 specs and must arrive in Big Lots systems prior to the shipment arriving (best practice is to send the ASN when the truck leaves the ship point).

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### **3. ROUTING (PAGE 19)**

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- All shipments over 200 lbs. OR over 10 cartons must be routed in the Big Lots Traffic System at [www.bigrouting.com](http://www.bigrouting.com) ON or BEFORE the Must Be Routed By date on the PO. This gives our Traffic team visibility to begin the transportation process. **The sooner you can route the POs, the better!**

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### **4. LABELING & SHIPPING**

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- DOCUMENTATION (pages 23 and 24): All shipments must have a packing list and Bill of Lading. The packing list must match the contents of the trailer and must be applied to the last pallet or carton loaded on the trailer.
- MASTER CARTON PACKAGING (page 25): All product must be packaged in a way that ensures it will arrive free of damage or wear. Cartons must be sealed with tape. Specific requirements for our Apple Valley, CA DC are on p.26.
- LABELING FOR NON-EDI VENDORS (page 27): Palletized merchandise (pallets of same article) can be labeled at the pallet level, while floor loaded merchandise is labeled at carton level. Label on two sides with vendor name/#, PO number, article #, department #.
- LABELING FOR EDI VENDORS (page 27): GS1-128 labels are required at pallet level (palletized freight) or carton level (floor loaded).
- PALLETIZING PRODUCT (page 28): Pallets must be at least B grade quality, GMA 4-way, 48" x 40" (white wood preferred, but Chep/Peco/iGPS are accepted). The Apple Valley, CA DC must have a Grade A pallet (page 29). One SKU/article per pallet. Contact Vendor Compliance for mixed pallet instructions. Pallets must be securely wrapped to the top of the pallet.
- LOADING FREIGHT (page 32): It is the shipper's responsibility to brace, block and secure freight to prevent shifting/damage in transit. The shipper is also responsible for sealing the trailer.
- SHIPPER LOAD & COUNT (SL&C) AGREEMENT (page 32): All product is under SL&C agreement unless otherwise authorized by Big Lots buyer and GM of Transportation.

## 5. VENDOR COMPLIANCE DEDUCTIONS

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- PERFORMANCE DEDUCTIONS (pages 33 and 34): Vendors in violation of the policies/guidelines are subject to compliance deductions. Vendors wishing to dispute a Vendor Compliance performance deduction must do so in the compliance portal within **90** days of the assessed date.

## 6. INVOICING

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- INVOICE REQUIREMENTS (page 36): Vendors may submit invoices via email ([OutsideVendorInvoices@biglots.com](mailto:OutsideVendorInvoices@biglots.com)) or via EDI.
- Separate invoices are required for each PO and/or trailer (multiple loads on a PO can be billed separately or combined on one invoice for the total PO).



### **Section 3: New Vendor Set Up**

All new vendors shipping domestic merchandise to our distribution centers will be sent an e-mail invitation from our Vendor Compliance System to complete the new vendor onboarding process. This process gives a high-level overview of Big Lots and Big Lots' Logistics policies and procedures. The e-mail will come from the address [invite@biglots.com](mailto:invite@biglots.com) . If you do not receive this e-mail, please contact the Vendor Compliance Department at [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com) .

**The new vendor on-boarding process must be completed for a vendor to be able to dispute deductions issued in the Vendor Compliance System.** After completing the on-boarding tasks, new vendors are encouraged to set up a conference call with the Big Lots Logistics Department to review the policies and ask any remaining questions prior to shipping. Inquiries should be sent to [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com) .

#### **A. New Vendors and EDI**

New vendors are encouraged to establish an EDI connection with Big Lots, however this is not a requirement for your initial set of purchase orders.

Vendors who continue to do business with Big Lots are expected to get set up on EDI. Vendors in the Never-Out (NVO) Replenishment program are required to be on EDI and be in full compliance with all supported EDI documents within two months of receiving your first replenishment purchase orders. Non-compliance with this requirement may result in vendor compliance deductions for missing EDI documents. Non-NVO high volume (over 60 shipments/year) and other strategic vendors may be contacted by the buyer and/or Vendor Compliance Department to be set up on EDI.

Vendors who have never been connected to Big Lots via EDI must acknowledge the Big Lots PO Terms and Conditions before the EDI can be activated. Contact the Vendor Compliance Department at [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com) to complete this acknowledgement process.

Big Lots supports the following EDI transactions for shipments to our distribution centers:

- 850 – Purchase Order
- 856 – Advanced Shipment Notification and associated GS1-128 label
- 860 – Purchase Order Change
- 810 – Invoice

All Big Lots EDI specs are available at <http://www.biglots.com/corporate/vendors/EDI-enablement> . Any questions regarding the specs should be directed to the Big Lots EDI Department at [biglotsedidept@biglots.com](mailto:biglotsedidept@biglots.com) .

Big Lots uses SPS Commerce as its EDI testing partner. Visit SPS Commerce at [http://www.spscommerce.com/wtl\\_biglots/biglots.shtml](http://www.spscommerce.com/wtl_biglots/biglots.shtml) and complete the form to be contacted by SPS Commerce for testing. Vendors are **not** required to use a SPS Commerce EDI solution when connecting with Big Lots.

## **B. New Vendors and the Never-Out (NVO) Replenishment Program**

The Big Lots Never-Out Replenishment Program ensures that our core customer, Jennifer, always has key strategic items in stock in our stores. Big Lots commits resources which include store and DC carrying inventory, dedicated shelf space, DC inbound and outbound prioritization and other support resources to maintain this program. As a result, we expect our vendors to meet specific criteria for participating in this program. At a high level these include but are not limited to:

- Full EDI compliance with all supported EDI documents
- Mutually agreed upon safety stock
- SKU productivity performance
- Lead time and reordering cadence

Your buyer will review a checklist of items when setting up items in this program. Adherence with the mutually agreed upon criteria is paramount in ensuring success of this program.

## **C. Certificates of Insurance**

Vendors are required to provide an Insurance Certificate as evidence of coverage to Big Lots or the agent at the time Big Lots formally accepts you as a vendor and annually thereafter, **within 60 days of coverage renewal**. Failure to send an updated certificate within the renewal period will block your vendor profile and prevent Big Lots from writing new POs or paying invoices. The Insurance Certificate is one of the required documents for the business. The Certificate of Insurance and Indemnification Policy can be found on the Big Lots web page at <http://www.biglots.com/corporate/vendors/routing-and-compliance> . Questions about this requirement should be directed to the Big Lots Risk Management Department (see contact list on p. 38).

## Section 4: Never Out (NVO) Vendor Checklist

To help our vendor partners be successful with our Never-Out (NVO) Replenishment Program, we have created the following checklist of items to review and prepare for.

Requirement	Reference	Contact
<p><b>New Vendors:</b> Complete Vendor Set Up All required documents <b>MUST</b> be provided prior to POs being written.</p>	<p>Set up instructions will be <b>e-mailed</b> to vendor by Buyer. All vendors must be fully compliant and in good standing per the requirements for vendor set up. The vendor will be asked to provide a Certificate of Insurance at time of set up. See the Big Lots Certificate of Insurance and Indemnification Policy download in: <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding vendor set up, please contact the Buyer</p>
<p><b>New USA Domestic Vendors:</b> Register on the <b>Vendor Compliance portal</b>. The new vendor on boarding process <b>MUST</b> be completed for a vendor to dispute deductions in the Vendor Compliance System. Vendor will need to acknowledge the following:</p> <ul style="list-style-type: none"> <li>• Merchandising Update</li> <li>• Vendor Compliance</li> <li>• Invoice Requirements</li> <li>• Finance Information</li> </ul>	<p>A Vendor Compliance On-Boarding invite e-mail (<a href="mailto:invite@biglots.com">invite@biglots.com</a>) will be sent to vendor by Big Lots Compliance Team, once vendor set up has been completed in the Big Lots system. The e-mail will include your Big Lots user ID.</p>	<p>If you have questions regarding vendor compliance or have not received this e-mail, please contact – <a href="mailto:vendorcompliance@biglots.com">vendorcompliance@biglots.com</a></p>
<p>In addition to registering on the <b>Vendor Compliance portal</b>, from the portal please download and review the following documents in their entirety:</p> <ul style="list-style-type: none"> <li>• Vendor Routing and Compliance Guide</li> <li>• Purchase Order Terms and Conditions</li> </ul> <p>Ensure that all appropriate personnel at your company also familiarize themselves with the sections that are applicable to their departments.</p>	<p>These documents as well as other vendor documents can be found through the following link to download: <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding vendor compliance, please contact – <a href="mailto:vendorcompliance@biglots.com">vendorcompliance@biglots.com</a></p>
<p>Vendor to review vendor payment options, invoicing requirements, and disputes. Vendor and buyer to determine and agree upon which payment option the vendor will utilize.</p>	<p>The Big Lots payment documents can be found through the following link to download: <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p> <p>Also, refer to <b>Vendor Routing and Compliance Guide - Section 13: Accounts Payable</b></p>	<p>Inquiries:</p> <ul style="list-style-type: none"> <li>• <b>Payment invoice status</b> – call 614-278-6858</li> <li>• <b>Disputes</b> – <a href="mailto:apvendorinquiries@biglots.com">apvendorinquiries@biglots.com</a></li> </ul>
<p>After On-Boarding tasks have been completed, the vendor will set up a conference call with the Big Lots Vendor Compliance department to review the policies and answer any remaining questions.</p>	<p>Vendor to contact compliance team to set up meeting.</p>	<p>To set up meeting, please send e-mail to: <a href="mailto:vendorcompliance@biglots.com">vendorcompliance@biglots.com</a></p>

Requirement	Reference	Contact
<p>In order for a vendor to be set up as a <b>Never Out</b> (replenishment) vendor, they are required to be EDI (Electronic Data Interchange) capable and be compliant with Big Lots mapping.</p> <ul style="list-style-type: none"> <li>• Purchase Orders (850)</li> <li>• Purchase Order change (860)</li> <li>• Invoices (810)</li> <li>• ASN (856)</li> </ul> <p><b>New EDI Vendors:</b> must acknowledge Big Lots PO Terms and Conditions. Contact Vendor Compliance Dept. to complete this process.</p>	<p>Please find all EDI related documents used by Big Lots through the following link to download:  <a href="https://www.biglots.com/corporate/vendors/edi-enablement">https://www.biglots.com/corporate/vendors/edi-enablement</a></p> <p>Big Lots partners with SPS Commerce for EDI testing. You will find the link to contact SPS using the link above.</p>	<p>If you have questions regarding EDI setup with Big Lots, please contact the Big Lots EDI department.  <a href="mailto:biglotsedidept@biglots.com">biglotsedidept@biglots.com</a></p>
<p>All NVO vendors must align with the buying/NVO teams to forecast all NVO needs.  <b><u>NVO SKUs are to be available for reorder immediately after set date of article.</u></b>  <b><u>NVO vendor is required to hold agreed upon safety stock (WOS) on hand, in order to guarantee at once need.</u></b></p> <p>The buyer / NVO replenishment partner will communicate future 6 months needs with review of monthly Sales, On Hands, On Order, DC inventory and in production units for total visibility to inventory for NVO SKUs.</p>	<p>NVO team will begin reorders after first week of sales information is available.  A forecast review process will be set up to ensure proper level of needed stock.</p>	<p>If you have questions regarding forecasting, please contact the Buyer</p>
<ul style="list-style-type: none"> <li>• All NVO products sold to Big Lots must have a readable UPC barcode affixed to the product or the products "sellable" packaging. Products without scannable UPC barcodes will NOT be accepted.</li> <li>• NO UPC barcodes may be changed without prior notification and approval by Big Lots buyer.</li> <li>• The UPC must correctly scan and match what is in the Big Lots system.</li> </ul>	<p>See <b>Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling</b> at:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding UPCs, please contact the Buyer</p>
<p>NVO Vendor and buyer will agree upon expected inventory liabilities at end of life of a specific SKU or program. An exit strategy should be discussed and agreed upon between vendor and buyer.</p>		<p>If you have questions regarding exit strategies, please contact the Buyer</p>
<p>All purchase order Terms and Conditions apply to all purchases. Requests to change purchase orders <b>MUST</b> be communicated and agreed to between both buyer and vendor.  All merchandise that ships, <b>MUST</b> comply with style, color, size and all other attributes addressed in the purchase order.</p>	<p>See Terms and Conditions document at:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p> <p>See <b>Vendor Routing and Compliance Guide - Section 5: Purchase Order Information, Replenish Purchase Orders</b> at:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding purchase orders, please contact the Buyer</p>

Requirement	Reference	Contact
<p>All vendors <b>MUST</b> comply with Big Lots Routing Guide.</p> <p><b>Do not send</b> unauthorized shipments, invalid orders, cancelled orders, partial orders, late orders, back orders and over shipments.</p> <p>Additional shipping standards for specialty areas such as food, candy and other perishable goods are defined in the routing guide.</p>	<p>Please use this link to see Big Lots Routing and Compliance guide:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p> <p>Communication to buyer is a <b>MUST</b> prior to shipments if order was not shipped to purchase order specifications.</p>	<p>If you have questions regarding purchase orders shipment quantities, please contact the Buyer</p>
<p>All <b>Domestic</b> collect and prepaid purchase orders <b>MUST</b> be routed (on or before the Must Be Routed By date) using the Big Lots Web Portal.</p>	<p><a href="http://www.bigrouting.com">http://www.bigrouting.com</a></p>	<p>If you have questions regarding routing, please contact the routing team.  <a href="mailto:biglotsinbound@unyson.com">biglotsinbound@unyson.com</a>  <b>or call 866-823-9501</b></p>
<p>All product shipped <b>MUST</b> ship from the agreed upon ship point stated on the purchase order.</p> <p>The buyer <b>MUST</b> approve any changes to the FOB point <b>PRIOR</b> to shipping.</p> <p>Purchase Orders must be updated with new FOB point.</p> <p>Freight cost impact will be reviewed, and recovery cost will be negotiated by buyer.</p>	<p>See <b>Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling</b> at:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding purchase order FOB's, please contact the Buyer</p>
<p>Vendor must ship all orders complete and on time per the agreed upon lead time negotiated with the buyer. Late shipments, unless specifically exempted by the buyer, will be subject to vendor compliance penalties.</p> <p>Time will be defined from receipt of PO to ship date.</p> <p>Pro-active communication to buyer is a must prior to shipments, if order will not ship to purchase order specifications to alleviate any potential risks to sales.</p> <p><b>Recovery off sets / lost GM\$ impacts will be negotiated between the Buyer and Vendor.</b></p>	<p>See <b>Vendor Routing and Compliance Guide - Section 5: Purchase Order Information, Replenish Purchase Orders</b> at:  <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding purchase orders Lead Times, please contact the Buyer</p>

Requirement	Reference	Contact
<p>Vendor to provide all required SKU and PO set up attributes as requested by Buyer.</p> <ul style="list-style-type: none"> <li>The attributes must be accurate and precise: Correct description, UPC, color, size, inner and master case pack size, packaging, minimum quantities, product dimensions, case dimensions, etc.</li> <li>Vendor must supply product with an acceptable shelf life to ensure high quality and fresh products. Any exception to the agreed upon guaranteed shelf life must be communicated to the Buyer for approval prior to shipment.</li> <li>Vendor has deemed that product has met all Prop 65 guidelines and has reviewed with buyer.</li> </ul>	<p>See <b>Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling</b> at: <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding purchase order attributes, please contact the Buyer</p>
<p>Vendor and buyer to agree if item is eligible to be presented on our website</p>		<p>If you have questions regarding Big Lots website, please contact the Buyer</p>
<p>All vendors <b>MUST</b> comply with Big Lots Ticketing Standards. Vendor will ticket product per the ticketing requirement assigned by item on the purchase order.</p>	<p>See the Domestic and Import Pre-ticketing Handbooks at: <a href="https://www.biglots.com/corporate/vendors/routing-and-compliance">https://www.biglots.com/corporate/vendors/routing-and-compliance</a></p>	<p>If you have questions regarding the handbook, please contact the Pre-Ticketing Team at: <b>ticketing@biglots.com</b></p>

## FAQ

To maintain the highest standards of data integrity at Big Lots all updates/changes **MUST BE COMMUNICATED IMMEDIATELY** to the appropriate Big Lots resource.

Listed below are the Big Lots contacts for all ordering, service and inventory issues.

Category	Question	Primary / Secondary Key Contact
EDI	Technical EDI questions / connection issues	<a href="mailto:biglotsedidept@biglots.com">biglotsedidept@biglots.com</a>
UPC	The UPC on the product needs to be updated. (Big Lots may require a new item set up)	Buyer
Product	Date code does not fall within the acceptable 60 day of receipt timeframe.	Buyer
Product	Description needs to be updated (Big Lots may require a new item set up)	Buyer
Product	Product measurement updates (Big Lots may require a new item set up)	Buyer
Product	Case configuration change. (Master or inner)	Buyer / NVO Planner
Product	Case weight, cube or pallet has changed	Buyer / NVO Planner
Shipping	Carrier has missed scheduled pick up	Unyson
Shipping	I need to switch my FOB point to another facility	NVO Planner / Buyer
Shipping	Will not be able to ship the order complete	NVO Planner / Buyer
Shipping	Do not have item in stock – what is my next step? Who do I contact?	NVO Planner / Buyer
Forecasting	Safety stock is not available	NVO Planner / Buyer
Forecasting	I need to re-forecast my sales and demand	NVO Planner
Ticketing	Need Big Lots to verify price tickets prior to production	<a href="mailto:ticketing@biglots.com">ticketing@biglots.com</a>
Payment	When will an invoice be paid?	614-278-6858 or <a href="mailto:apvendorinquiries@biglots.com">apvendorinquiries@biglots.com</a>

## Section 5: Purchase Order Information

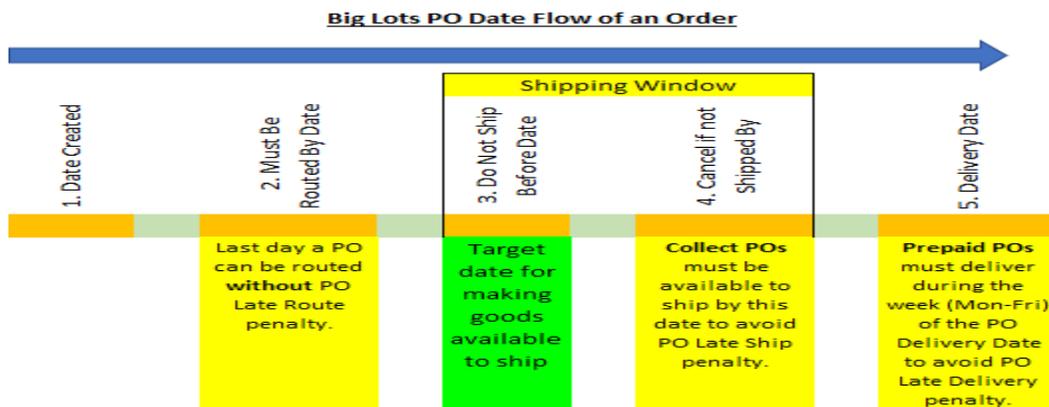
All Big Lots purchase orders must be shipped complete as ordered. Shipping partial orders (any short POs) may result in a deduction for additional transportation costs. We maintain a no back order policy, with the exception of replenishment orders as noted on p. 16.

Listed below are the dates on a sample PO in paper and EDI format. The matrix below the sample gives a definition for each date.

Paper PO Information:		EDI PO Information	
PO #	89893456	ST\850\027023578~	
Date Created	10/23/2019	BEG\00\SA\89893456\1\20191023~	
Version:	0	REF\LU\873\W~	
Do Not Ship Before:	11/06/2019	REF\IA\1000228~	
Cancel if not Shipped by:	11/12/2019	REF\PK\N~	
Must be Routed by:	10/30/2019	REF\FJ\9792~	
Freight Terms:	Collect	REF\DP\110~	
FOB:	TEXAS , US	REF\BU\576~	
		REF\19\01~	
		REF\A9\30~	
		FOB\CC\N\CA\US\Collect~	
		FOB\CC\DE\US TEXAS\OR\US\O~	
		DTM\073\20191030~	
		DTM\037\20191106~	
		DTM\002\20191111~	
		DTM\001\20191112~	
		DTM\275\20191023~	

Date Name	Definition	Paper PO Reference	EDI PO Reference
PO Creation Date	Date the PO was created by Big Lots	Date Created	DTM\275\
Must Be Routed By	Date the PO must be routed <b>on or before</b> in the Traffic system at <a href="http://www.bigrouting.com">http://www.bigrouting.com</a> <b>without</b> incurring possible late route penalty	Must Be Routed By	DTM\073\
Start of Ship Window	The earliest day the PO can ship	Do Not Ship Before	DTM\037\
End of Ship Window	The last day the PO can ship <b>without</b> incurring possible late ship penalty or risk being canceled by buyer	Cancel if not Shipped by	DTM\001\
Expected Landing	The first day of the week (Mon-Fri) the PO is expected to deliver to the Big Lots DC. <b>Prepaid vendors</b> must deliver goods during this week.	Delivery Date - Item page of PO, far right column	DTM\002\



### Tips:

- **Route** POs as soon as you receive them. If you do this you will never be flagged as being late!
- PO dates can vary depending on the DC location. **Do not assume** that all dates on a set of POs are the same.
- **Communicate** with the buyer as soon as there is doubt of any date on the PO being met.
- **PO date extensions do not make you exempt from compliance penalties.**

Routing and shipping are independent processes. The vendor declares in the routing request when the shipment will be ready to ship. This date must be on or between the start and end of the ship window. **Vendor Compliance deductions may be assessed for non-compliance to these dates (see page 33).**

**A. Never Out (NVO) Replenishment Purchase Orders**

Vendors are required to accurately forecast future merchandise needs in conjunction with Big Lots merchants using our sales information or other means. Any back orders of replenishment product may be subject to cancellation without notice. **If a back order shipment is authorized by the buyer, the product must be shipped freight prepaid within ten (10) working days of the initial or first shipment of the order in question.**

All orders shall be shipped in the quantities specified. The buyer has the right to refuse or return to the vendor/shipper any overage at the vendor's/shipper's expense. The vendor/shipper may be assessed handling charges.

Merchandise shipped shall be the same as the approved samples. Failure of the vendor/shipper to comply shall result in either the merchandise being returned to the vendor at the vendor's expense, or other options negotiated and agreed to by the buyer.

If a vendor is unable to fill a Purchase Order as ordered, substitutions of Style/Article, color, size, quantity changes, Style/Article elimination, ticketing discrepancies and date changes must be approved by the buyer. **HANDWRITTEN BUYER NOTES, VERBAL OR PHONE AGREEMENTS ARE NOT ACCEPTABLE. The buyer is responsible for making all agreed upon changes to the Purchase Order prior to shipment.**

Failure of the vendor/shipper to comply with purchase order shipping guidelines may result in the goods being cancelled or returned at the vendor's/shipper's expense in addition to handling charges being assessed. **If not returned, the vendor/shipper may be assessed handling and storage charges for the repackaging of the goods by Big Lots.**

The return of any merchandise because of failure to ship or deliver on time or conform to the specifications on the Purchase Order shall be at the vendor's sole expense. In addition, for any collect shipments, the inbound transportation costs will be charged back to the vendor.

When merchandise is to be returned to the vendor, an authorization number must be provided to Big Lots within three (3) days of request.



## **Section 6: EDI Enablement**

Due to changes in our supply chain business requirements, Big Lots requires all vendors in the Never-Out (NVO) Replenishment Program to use EDI (Electronic Data Interchange) for all transactions and be in full compliance with all supported documents within two months of receiving your first replenishment purchase orders. Non-NVO high volume vendors (over 60 shipments/year) are strongly encouraged to be on EDI. Non-NVO high volume and other strategic vendors may be contacted by the buyer and/or Vendor Compliance Department to be set up on EDI.

Vendors who have never been connected to Big Lots via EDI must acknowledge the Big Lots PO Terms and Conditions before the EDI can be activated. Contact the Vendor Compliance Department at [vendorcompliance@biglots.com](mailto:vendorcompliance@biglots.com) to complete this acknowledgement process.

Big Lots supports the following EDI transactions for shipments to our distribution centers:

- 850 – Purchase Order
- 856 – Advanced Shipment Notification and associated GS1-128 label
- 860 – Purchase Order Change
- 810 – Invoice

All Big Lots EDI specs are available at <http://www.biglots.com/corporate/vendors/EDI-enablement> . Any questions regarding the specs should be directed to the Big Lots EDI Department at [biglotsedidept@biglots.com](mailto:biglotsedidept@biglots.com) .

Big Lots uses SPS Commerce as its EDI testing partner. Visit SPS Commerce at [http://www.spscommerce.com/wtl\\_biglots/biglots.shtml](http://www.spscommerce.com/wtl_biglots/biglots.shtml) and complete the form to be contacted by SPS Commerce for testing. Vendors are **not** required to use a SPS Commerce EDI solution when connecting with Big Lots.

### **A. 856 Advanced Shipment Notification and GS1-128 Label Requirements**

Vendors sending ASNs must adhere to the following:

- The vendor must be in compliance with all fields on the ASN; non-compliance with critical fields on the ASN may result in a compliance deduction (see p. 34). Critical fields are defined as PO#, DC Ship To Location, Vendor #, Ship Request #, SKU/article# and units shipped at the SKU/article level.
- The ASN must arrive before the shipment arrives at the Big Lots distribution center; missing or late ASNs may result in a compliance deduction (see p. 34).
- If shipping multiple POs on a single truck, there should be an ASN for each PO on the truck.
- The line items and quantities on the ASN must match the contents of the truck.
- Vendors sending ASNs must still send packing lists with their freight unless otherwise authorized by the Vendor Compliance Department.

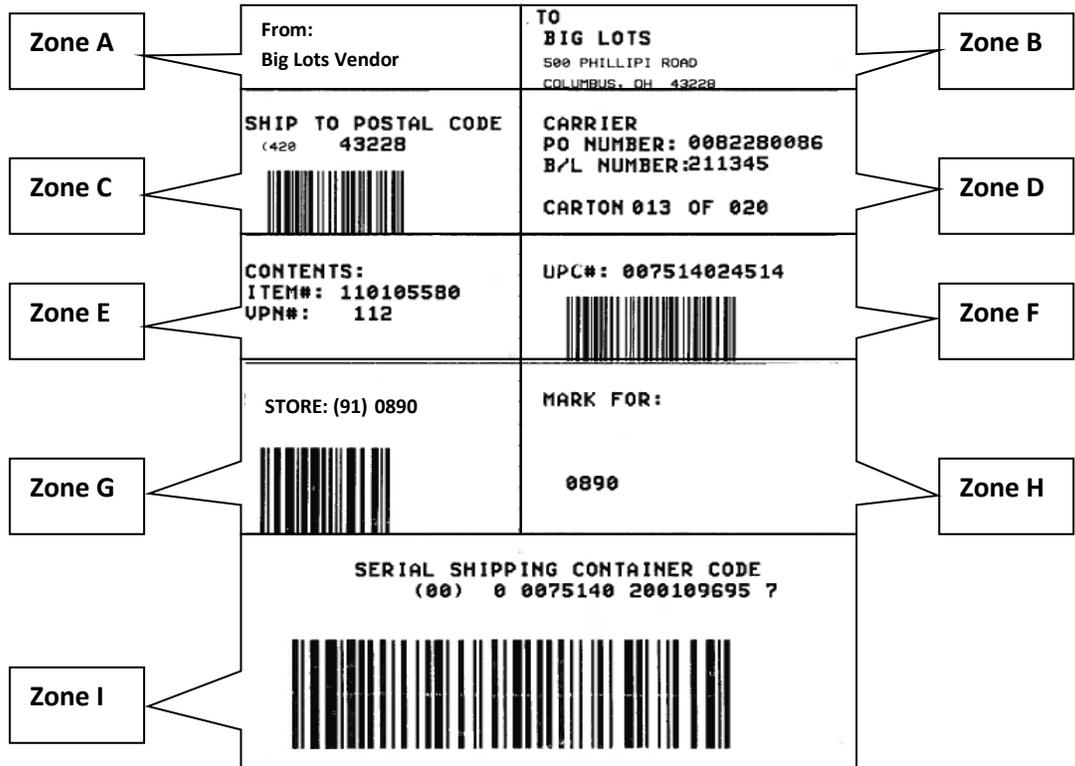
Any ASN data validation errors will be automatically e-mailed to the vendor by the Vendor Compliance system. The vendor should correct the errors and resend the ASN (coded as a revised ASN) if possible. The ASN EDI specification can be found on our web page at <http://www.biglots.com/corporate/vendors/EDI-enablement> .

**Note:** ASNs are not required for FedEx/UPS small parcel shipments or shipments sent directly to stores (DSD shipments). If you choose to send ASNs, please use the SCAC code of FDEG or UPSN in the ASN for small parcel shipments.

### **GS1-128 Label Placement Requirements**

When possible, GS1-128 labels should be placed on a carton side (not top or bottom) facing outward if on a pallet. If carton size does not permit label placement on a side, contact the Vendor Compliance Department for labeling instructions. Labels should be kept away from vertical edges so that barcodes are less likely to be accidentally damaged in transit.

**B. GS1-128 Label Layout**



**Label Size:** standard 4x6 labels

- Request an exemption if standard 4x6 label cannot be used because of carton size limitation

**Zone Content:**

Zone	Description	Font	Information Needed
A	Ship From Address	10-12 pt	Mandatory: Vendor Name Optional: Vendor Address
B	Ship To Address	10-12 pt	Ship to name, address, DC / store #
C	Ship To Postal Code and Barcode		
D	Shipment Information		Carrier, Big Lots PO#, BOL#, Tally info. - Carton X of Y (floor loaded) - Pallet X of Y (palletized)
E	Carton Contents		Big Lots Article #, Vendor Part #
F	UPC# and Barcode		Provide when populated on EDI 850
G	DC / Store Location Code and Barcode		
H	Mark For Location Code		Minimum field length: four digits
I	GS1-128 Serial Shipping Container Code		Use SSCC-18 barcode format

Font 10 to 16 pt. depending on the zone of the label and 20 mil bars unless specifically noted.

**Notes:**

- Per the GS1 standards, the SSCC-18 value must not be reused within a 12 month period. See <http://www.gs1-128.info/sscc-18> for more information.
- ASNs and GS1-128 labels are not required for FedEx/UPS shipments and direct to store shipments (DSD)
- Shipments that are pallet loaded where a pallet contains like merchandise the label will be per pallet.
- Shipments that are floor loaded the label will be per carton.
- Shipments that are pallet loaded where a pallet contains mixed merchandise the label will be per pallet and per carton.

**Labeling notes continued:**

- If merchandise is shipped in the same carton that will be displayed on the sales floor, **DO NOT** place the shipping label on the facing of the carton. Place it on the bottom or the backside of the carton.
- Please ensure that no portion of the UPC barcode or pertinent graphics and merchandise specifications are covered.
- Special handling requirements such as, but not limited to: Circular merchandise, Fragile, Flammable, Hazardous, Perishable, Protect from Heat, This End Up, Protect from Freezing, Rush etc., must be prominently displayed close to the outer carton markings associated with the GS1-128 label.
- **UPC value:** When sending article master data to your buyer, they will request the ITEM UPC as part of the item set up. Do not send case UPCs in place of item UPCs.
- Merchandise where the master carton is the selling unit and designated for eComm must have the item UPC printed on the carton. Barcodes should follow the GS1 standards.
- All UPCs a) must be item UPCs, and b) must correctly scan and match what is in Big Lots’ system. Any UPC errors (missing UPC, incorrect UPC, UPC will not scan) may result in a vendor performance deduction (see Performance Deduction list on page 33).

**Section 7: Routing Instructions and Transportation Information**

The following section details instructions for routing shipments either FOB collect or prepaid inbound to U.S. operations.

Use the following matrix to determine whether your shipment needs to be routed in the Big Lots Traffic Portal:

<u>Weight, Cube, Cartons</u>	<u>Collect Shipments</u>	<u>Prepaid Shipments</u>
1 pound to 200 pounds AND less than or equal to 10 cartons	Create <b>FedEx Ground Collect</b> shipment using your FedEx Acct #. Charges will transfer to Big Lots upon receipt at DC.	Ship via service of choice, no need to route in Traffic portal
<b>Greater than or equal to 201 pounds or greater than or equal to 11 cartons</b>	<b>Must route in Big Lots Traffic Portal at <a href="http://www.bigrouting.com">http://www.bigrouting.com</a></b>	<b>Must route in Big Lots Traffic Portal at <a href="http://www.bigrouting.com">http://www.bigrouting.com</a></b>
<b>Air Freight, Expedited or Guaranteed</b>	Contact Big Lots for instructions	Contact Big Lots for instructions

Note: This matrix applies to shipments to Big Lots DCs only. Direct to Store deliveries are prepaid and arranged by the vendor.

**Collect POs:** all collect POs meeting the requirements for routing in the Big Lots Traffic Portal at [www.bigrouting.com](http://www.bigrouting.com) must be routed no later than the “Must Be Routed By” date on your Purchase Order, or be subject to a vendor performance deduction (see Performance Deduction list on page 33). Big Lots Traffic has no visibility to your shipment until the Purchase Order is routed.

**Prepaid POs:** all prepaid POs meeting the requirements for routing in the Big Lots Traffic Portal at [www.bigrouting.com](http://www.bigrouting.com) preferably should be routed by the “Must Be Routed By” date on your Purchase Order, but must be routed **before the shipment ships.**

Vendors shipping from multiple facilities or relocating a shipping facility cannot ship one Purchase Order from more than one FOB point. Failure to notify Big Lots of multiple outbound locations to receive a Purchase Order change, or failure to adhere to the specific instructions provided by Big Lots may result in a deduction.

**A. Prepaid Shipments**

Prepaid shipments must be routed before they ship. Once a prepaid purchase order has been routed, the carrier will need to contact our inbound routing team at [appointments@biglots.com](mailto:appointments@biglots.com) or [biglotsappts@unyson.com](mailto:biglotsappts@unyson.com) to schedule a delivery appointment. **All shipments must be scheduled in advance of the truck arriving at the distribution center. Same day appointment requests will not be honored, and the date requested cannot be before the Delivery Date on the PO.** Best practice is to route and schedule prior to the truck departing the ship point. The driver will need the appointment #, received at the time of routing, in order to pass through the security gate at the DC. Any truck which arrives without an appointment may be turned away by the Big Lots DC. **Prepaid shipments routed but not scheduled will result in a vendor performance deduction (see Performance Deduction list on page 33).** All prepaid shipments on the same truck must be routed under the same appointment. Contact Unyson if you need assistance.

Vendors may use their carrier of choice for prepaid shipments. For LTL shipments, Big Lots prefers that the vendor use one of our LTL carriers (USF Holland, New Penn, Old Dominion, Pitt-Ohio, Roadrunner Transportation, South East Freight Lines, YRC Freight).

Due to safety concerns, box trucks with lift gates are no longer permitted for prepaid deliveries. Our DCs are unable to secure the trailer to the dock due to the lift gate mechanism.

## Prepaid Shipments Continued:

### 1. Trucks entering the Apple Valley Distribution Center (AVDC) property:

2010 Model Year Trucks. All medium- and heavy-duty diesel trucks entering the Project shall meet or exceed California's 2010 engine emission standards or be powered by natural gas, electricity, or other diesel alternative. AVDC agrees to only bid carriers that meet 2010 exhaust emission standards or better. The purpose of this requirement is to reduce NOx emissions due to diesel trucks that will service the Project. AVDC agrees to provide this requirement in its contract scope with its vendors and will support this requirement through the posting of the requirement in the Big Lots Routing Guide (see, <http://www.Biglots.com/corporate/vendors/routing-and-compliance>). AVDC agrees to perform annual on-site validation review for compliance with this requirement.

## **B. Collect Shipments / Carrier Selection**

Once a collect purchase order has been routed and the carrier has accepted the tender, an electronic notification will be emailed or faxed to the transportation contact at the vendor. This e-mail will indicate which carrier will be contacting the vendor within 48 hours of desired pick up to schedule a pick-up appointment.

Tips to accelerate the process of routing your Purchase Order on the Inbound Web Portal:

1. When shipping on non-stackable pallets please multiply your pallet count times 112 to get your cube. If you are shipping on stackable pallets multiply 56 times your pallet count to get the cube.
2. Please use the "View ship request link" to ensure you're not creating duplicate requests for the same truck.
3. Make sure the "Ready Date" you've selected is the true ready date of the product.
4. Please validate the contact information tied to the pickup locations to ensure the carriers are calling the correct person.
5. If you have any issues during the routing or shipping process please use the "contact us" link, or call 866-823-9501.

## **C. Vendor Registration**

If you have not registered on the routing web portal at [www.bigrouting.com](http://www.bigrouting.com) and created a separate Username and Password for entry to the web portal, please follow these steps.

1. Select Register
2. Select Vendor
3. Fill in all fields
4. When finished, select the register button
5. A notice will appear "Thank you for registering". Your registration is awaiting approval, you will receive an email once your account has been activated

## **D. Contact Information**

Select Contact Us at the bottom if you wish to communicate questions or concerns to the routing team.

1. Fill out the message box
2. Select the desired communication option
3. Select the preferred contact method
4. For immediate action contact our inbound routing team at 866-823-9501 or at [biglotsinbound@unyson.com](mailto:biglotsinbound@unyson.com) .

**Note: It is the vendor's responsibility to notify the Transportation Team via phone or email for cancellation of any collect trucks that have been routed and ordered, but are no longer needed. Failure of notification will result in a performance deduction for truck ordered but not used.**

## E. Creating a Routing Request

To create a routing request (Collect or Prepaid) please do the following:

1. Go to [www.bigrouting.com](http://www.bigrouting.com) and log in.
2. Select ship request on the tool bar then select either **Collect or Prepaid Request**.
3. Using the Origin drop down box select the origin location you will be shipping from.
4. Using the Destination drop down box select the Distribution Center number that you wish to ship to.
5. Please select the calendar date that the goods will be ready for pick up, and then select continue.
6. Select all the purchase orders that you wish to ship from the drop-down list.
7. Select continue at the bottom of the page.
8. Select the load type (pallet, floor, slip sheet). **Note:** A performance deduction may be assessed if load type is incorrect (see page 33)
9. Fill in all load specific information (i.e. stackable, overflow, pallet spaces, pick up #, etc.). **For Prepaid shipments, enter the anticipated carrier for the shipment. Do not leave the SCAC code field blank.**
10. Fill in the total cartons, total weight and total cube of the cartons for each purchase order, and the freight class. Do not use commas or decimals.
11. Select continue at the bottom of the page.
12. Verify that all the information is correct, the ship from address, the ship to address, the purchase orders and the cartons, weight and cube. If everything is correct select **Finalize**.

A message will pop up with your assigned Big Lots shipment request number (if sending ASNs, this number needs to be sent on the ASN – see page 17). If shipping collect, once your load has been tendered and accepted the designated carrier will contact you within **48 hours of when they intend to pick up the freight**, to schedule a pick-up appointment.

We cannot change or delete any entry made by the vendor. If you find the information is incorrect, contact Big Lots right away by using the **Contact Us** option or call 866-823-9501 for immediate assistance. Collect POs will not be able to be selected for routing within 24 hours of the cancel date. **POs should be routed as soon as they are received.**

## F. Automated Email Notifications

An email notice will be sent to the email address provided once your shipment has been accepted by a carrier. It will include a link to the routing so you can check the status of the shipment.

## G. Transportation Shipping Information

For all collect shipment pickup requests assigned to a truckload carrier, the Big Lots assigned carrier will call your facility to obtain a pickup appointment at least 48 hours in advance. If you have required pick up numbers, please assign them to the carrier when they call for an appointment. LTL carriers will show up on the PO Ready Date stated in the routing. LTL carriers will not call in advance for a pick-up appointment.

Freight MUST be tendered with DC/purchase order integrity, which is defined as follows:

- All cartons for an individual DC shipment must be loaded together on the trailer at all times, and if palletized, must NOT be distributed across multiple pallets unless the shipments are large enough to require more than one pallet.
- Big Lots will not reverse freight charges for shipments sent prepaid in error by the vendor.
- Big Lots will not be responsible for collect shipments routed by the vendor via any carrier except via carriers assigned at the time of routing.
- **HAZMAT shipments: Vendors must meet all associated HazMat shipment state and federal compliance requirements. All associated accessorial charges are the responsibility of the vendor.**
- The vendor is responsible for notifying Big Lots of temperature sensitive products, prior to shipping. **This includes both product which needs protection from heat, or protection from freezing.** Neither Big Lots nor our carriers will be responsible for temperature related damages if notification has not been received prior to pick up. Please contact the Big Lots Inbound Routing team to confirm routing instructions.

## Transportation Shipping Information Continued:

### 1. Trucks entering the Apple Valley Distribution Center (AVDC) property:

2010 Model Year Trucks. All medium- and heavy-duty diesel trucks entering the Project shall meet or exceed California's 2010 engine emission standards or be powered by natural gas, electricity, or other diesel alternative. AVDC agrees to only bid carriers that meet 2010 exhaust emission standards or better. The purpose of this requirement is to reduce NOx emissions due to diesel trucks that will service the Project. AVDC agrees to provide this requirement in its contract scope with its vendors and will support this requirement through the posting of the requirement in the Big Lots Routing Guide (see, [http://www. Biglots.com/corporate/vendors/routing-and-compliance](http://www.Biglots.com/corporate/vendors/routing-and-compliance)). AVDC agrees to perform annual on-site validation review for compliance with this requirement.

## H. Transportation Exceptions

- **Collect** – If the Big Lots assigned carrier does not show or reschedules the pickup appointment, contact [biglotsinbound@unyson.com](mailto:biglotsinbound@unyson.com).
- **Prepaid** – If your carrier will not make their scheduled delivery appointment, contact [appointments@biglots.com](mailto:appointments@biglots.com) or [biglotsappts@unyson.com](mailto:biglotsappts@unyson.com) to reschedule.

**Note:** In the event that a Big Lots authorized carrier misses a pickup which causes you to carry individual shipments over into the following week, whenever possible, please combine those shipments with new orders you have for those same locations and ship them on a single Bill of Lading during the next calendar week. Calendar week is defined as Sunday to Saturday. Multiple purchase orders received for an individual location are to be aggregated and shipped on a single Bill of Lading on the same day. The Bill of Lading should list all Purchase Order numbers and represent the combined weight, cartons and cube for all Purchase Orders shipping together, going to a single Big Lots destination. Please contact the Big Lots Transportation team at 866-823-9501 if you are able to combine shipments.

## I. Accessorial Responsibilities

All charges for accessorial service performed at the vendor's ship point not previously agreed upon by the buyer/or the Big Lots transportation team will be the responsibility of the vendor. These include, but are not limited to loading detention, truck ordered not used, extra stop/stop off, lay over, lumper, overweight charges, reconsignment, redelivery, reefer charges, scale charges, drop trailer, shipped with incorrect carrier, sort/segregate and pickups cancelled after carrier has arrived. See p. 33 for a list of performance deductions.

**Note:** any additional freight charges arising from reconsignment due to incorrect address information that Big Lots does not receive in advance of pickup will be the vendor's responsibility. The destination on the vendor's BOL must match the destination on the purchase order. See p. 33 for a list of performance deductions.



## **Section 8: Documentation Requirements**

This Section details the requirements regarding the packing list, bill of lading, shipper load and count agreement, "Said to Contain" shipments and the billing of freight charges.

### **A. Packing Lists**

Packing lists are mandatory and must accompany each shipment. The packing list information must match the contents of the trailer. A missing or inaccurate packing list may result in a performance deduction (see Performance Deduction List on page 33).

**The packing list must be presented in a clear plastic envelope and attached to the outside of the last pallet or carton loaded for each shipment, facing the trailer or container door.** If the Bill of Lading also serves as the packing list, please make a copy of the Bill of Lading and present this in a clear plastic envelope attached to the outside of the last pallet or carton loaded.

Big Lots requires at least **ONE** packing list per trailer. If shipping multiple POs on the same trailer, there should be a packing list for **each** PO.

Drivers requesting a packing list may be given a copy. **However, the original packing list must remain on the freight.**

**The packing list must contain the following information:**

- Big Lots Distribution Center number and DC address
- Vendor name
- Purchase order number
- Total cartons and weight
- Big Lots Article number and vendor part/item number
- Quantity by Item/Style/Article number
- Item description
- Master and inner pack quantity
- Ship date

**Note:** Vendors sending EDI ASNs (advanced shipment notifications) must also send a packing list with their loads unless otherwise instructed by the Vendor Compliance Department (see page 17 for EDI requirements).

## **B. Bill of Lading**

Vendors must generate the Bill of Lading for the driver, and must ship using DC specific Bills of Lading. There should never be more than one (1) Bill of Lading per location, unless you have received special authorization from our transportation team to do so in advance. If the Bill of Lading also serves as the packing list, please make a copy of the Bill of Lading and present this in a clear plastic envelope attached to the outside of the last pallet or carton loaded. Any BOL missing required information may result in a performance deduction (see Performance Deduction List on page 33).

### **The Bill of Lading must contain the following information:**

- Complete destination Distribution Center address as well as the DC identifying number, e.g. Columbus = 890
- Freight Terms (Collect, Prepaid or 3<sup>rd</sup> Party)
- Vendor name and complete ship from address
- Vendor's ID number
- Ship date
- Carrier name
- Purchase Order #
- Ship Request # (required for collect POs, optional for prepaid POs)
- Appointment # (required for prepaid POs, if value is known)
- **Seal number attached to the trailer by the vendor**
- Accurate NMFC # for LTL shipments (including sub item # if applicable), NMFC Class, number of cartons and weight by item. Please note that it is the vendor's responsibility to update any changes to the NMFC #s applicable to their products. Vendors will be responsible for all additional freight charges resulting from items that are misclassified.

Note: Shipments moving through a cross-dock facility must have the final DC destination address listed on the purchase order as the "Ship To" address on the BOL.

An internet search for "GS1 BOL form" will provide links to a sample BOL form. Some BOL forms can be completed online.

#### For Collect Vendors:

BOLs must be marked as freight charges "3<sup>rd</sup> Party". The 3<sup>rd</sup> Party Freight Charges Bill To address is as follows:

**Big Lots c/o Unyson Logistics  
2000 Clearwater Drive  
Oak Brook, IL 60523**

Any BOL for a Collect PO missing the 3<sup>rd</sup> party freight charges bill to information may result in a performance deduction (see Performance Deduction List on page 33).

For "Said to Contain" scenarios only: Big Lots' designated carriers will NOT accept Bills of Lading that are marked "Said to Contain". All Bills of Lading must have complete and accurate carton counts. If, however, the carrier cannot count the cartons due to stretch wrap inhibitors, or if the bill of lading information cannot be accurately verified, the carrier will sign for stretch-wrapped pallets as the responsible pieces. The carrier will only be responsible for the pieces (cartons or pallets) signed for. All other shortages will be the responsibility of the vendor. Carriers will do their best to count each and every carton.

For all other vendors that are utilizing the services of a third party shipping facility (3PL) the vendor's name and vendor ID MUST be shown on the Bill of Lading as the shipper of record "In Care Of" the 3PL. All BOLs that show the 3PL as the shipper of record will be subject to Performance Deductions as per the Schedule in Section 10. **Do not, under any circumstances, prepay and add freight charges to your invoice. Freight charges added to a vendor's invoice will be deducted and subject to an administrative fee.**

## **Section 9: Packaging and Labeling**

This section details requirements regarding packaging, carton sealing, carton labeling and carton specifications. Note: Additional requirements for the Apple Valley, CA DC are listed in Section 9E.

### **A. Packaging Requirements**

- All products must be packed in a way that ensures that they will arrive free of any damage or wear.
- All packaging must be designed and manufactured to comply with all applicable standards as set forth by the National Motor Freight Classification (NMFC) to withstand the normal rigors of transportation and physical distribution process.
- The master carton must be able to sustain floor loading within trailers for distribution.
- The appropriate packaging includes, but is not limited to: cartons, crates, pallets, blanket wrap and any of the preceding in combination, or any other packaging method that ensures that product arrives free of damage.
- Cartons not completely protecting the product must be reviewed and approved by the Vendor Compliance Department prior to shipping to Big Lots. See page 38 for a contact list.
- Sufficient internal packaging materials must be used to ensure adequate protection during handling and shipping (e.g., bubble wrap, Styrofoam layers, corrugated or wood dividers, corrugated corner protection, blow-in foam, items individually wrapped or bagged, etc.).
- It is the vendor's responsibility to package and protect merchandise subject to regional climatic specifications.
- All shipping cartons must protect inner packs and individual selling units.
- Product received damaged from the vendor due to substandard packaging may be billed back to the vendor

### **B. Corrugate Recommendations**

- Both master and inner cartons should be of a corrugated material (i.e. not boxboard or chipboard), unless otherwise approved by your buyer
- Preferred style is of a regular slotted carton (RSC)
- Cartons with a gross weight of 1-65 lbs. should have corrugate with a burst strength of 200 lbs./in or 32 lbs./in ECT
- Cartons with a gross weight over 65 lbs. should have corrugate with a burst strength of 275 lbs./in or 44 lbs./in ECT
- Required corrugate strength may be greater depending on the product packaged

### **C. Carton Conveyability Standards**

- In order to efficiently handle merchandise through our distribution centers using conveyer equipment, cartons need to fall within the size and weight guidelines listed (see section 9E for Apple Valley, CA DC conveyability standards):

Dimensions	Minimum	Maximum
Length	6"	42"
Width	6"	24"
Height	2"	29"
Weight	2 lbs.	75 lbs.

**Note:** these standards apply to both master and inner cartons.

### **D. Carton Sealing Requirements**

- Cartons must be sealed with strong packaging and/or reinforced tape.
- All items will be completely enclosed to ensure product protection with no product exposure or protrusions that would injure personnel or damage material handling equipment.
- Strapping or banding of any kind is NOT permitted for cartons less than 70 lbs. gross weight unless otherwise authorized in writing by the buyer and the Vendor Compliance Manager.
- Floor displays may be strapped to the pallet for stability.

**E. Carton Requirements – Apple Valley, CA DC**

Big Lots Apple Valley DC uses advanced automated technology systems. The distribution processes for this facility will handle product differently than other Big Lots DCs. Cartons must be able to be lifted by the top and sides for a period of 25 seconds. For automation to work perfectly, vendor cartons must follow the criteria below:

- Bottom and tops of cartons must remain sealed. Proper taping of 3” inches on one side, across the top and 3” inches down the remaining side must be followed.
- Tape adhesive must be able to sustain high/low trailer temperatures. During transportation to the DC and awaiting unloading, tape must stay sealed to the box. Poorly taped cartons will not allow the DC to use automation until cartons can be repaired at the vendors expense.
- Shrink wrap must be tight to keep all layers intact during transportation to the DC.
- Top and sides of cartons must be of quality corrugate and able to with stand suction and clamping. Operating pressures are 30 – 87 psi. Output force of 147 to 427 pounds. The force is equally distributed across the area of each clamp bar.
- Cartons must be able to with stand being moved by a layer pusher.
- Cartons that are considered conveyable must follow the table below (in inches/pounds):

Apple Valley, CA DC – Carton Conveyability Table				
	Length	Width	Height	Weight
Minimum	9”	6.9”	3”	2 lbs.
Maximum	32”	24”	16”	60 lbs.

**F. Labeling Requirements**

**Note:** For questions about pre-ticketed merchandise, please see the pre-ticketing manual provided to you when you received your purchase order.

The Style/article number stamped, printed or labeled on the outside of the box, case or cartons shall match the contents of the box, case or carton. All merchandise shipped with incorrect identification shall be processed at the discretion of Big Lots. If merchandise is returned the vendor/shipper may be assessed handling and shipping charges.

All selling units or re-shippable cartons must have the ITEM UPC printed on the carton. The UPC must correctly scan and match what is in Big Lots’ system. Any UPC errors (missing UPC, incorrect UPC, UPC will not scan) may result in a vendor performance deduction (see Performance Deduction list on page 34).

All merchandise shall be shipped in the packs and assortments (size and color) within a master pack according to the purchase order agreement. Only one Style/article number shall be shipped per box, case or carton.

All merchandise shall have all required special handling icons (fragile, arrows up, heavy, etc.) and seasonal carton markings (Christmas, Harvest, etc.) printed on the outside of the master carton. Refer to the **Master Carton Marking Guide** at <http://www.biglots.com/corporate/vendors/routing-and-compliance> .

**Floor displays** (full pallet, half pallet, quarter pallet) must have the gross weight of the display listed on the pallet label or outer protective shroud of the display.

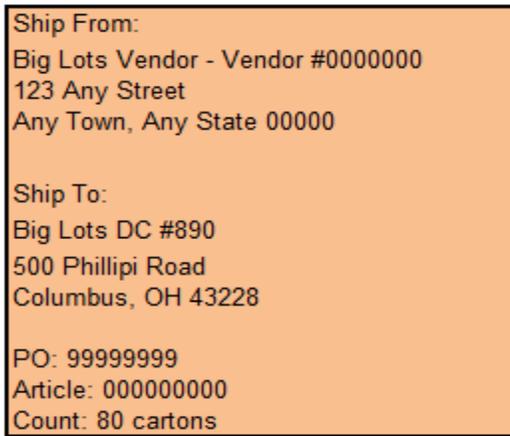
**1. Labeling – Non-EDI Vendors**

- a) **Palletized Merchandise** – Label each pallet on two sides with the vendor number, vendor name, ship from and to address, purchase order number, article number and the carton count per article. The cartons on the pallet must have a description of the product printed on the carton (i.e. blank cartons are not allowed).

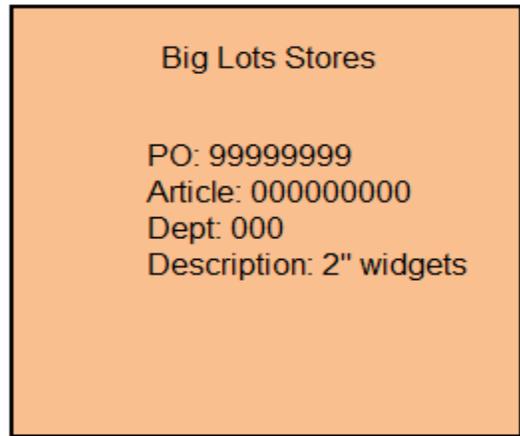
Only one style/article number shall be shipped per pallet. Big Lots allows one partial pallet per style/article number. In the case where small quantities have been ordered resulting in underutilized pallets, please contact the Vendor Compliance Department for appropriate palletizing instructions.

Note: Product on slip sheets will follow the palletized merchandise guidelines.

- b) **Floor Loaded Merchandise** – Label each carton on two sides with the Big Lots purchase order number, Big Lots style/article number, Department # and product description.



**Pallet Label Example**  
Non-EDI Vendor



**Carton Label Example**  
Non-EDI Vendor

**2. Labeling – EDI Vendors**

Note: EDI vendors should label their merchandise and pallets using the GS1-128 label format. See example on page 16. Only one GS1-128 label is needed per pallet or carton.

- a) **Palletized Merchandise** – Shipments that are pallet loaded where a pallet contains like merchandise the label will be per pallet. The cartons on the pallet must have a description of the product printed on the carton (i.e. blank cartons are not allowed).

Shipments that are pallet loaded where a pallet contains mixed merchandise the label will be per pallet AND per carton.

Only one style/article number shall be shipped per pallet. Big Lots allows one partial pallet per style/article number. In the case where small quantities have been ordered resulting in underutilized pallets, please contact the Vendor Compliance Department for appropriate palletizing instructions.

Note: Product on slip sheets will follow the palletized merchandise guidelines.

- b) **Floor Loaded Merchandise** – Shipments that are floor loaded will be labeled per carton.

**Section 10: Loading/Shipping**

This section lists requirements for pallet loading, suggested guidelines to prevent damages and shipper load and count rules. Note: Refer to section 10B for requirements when shipping palletized merchandise to the Apple Valley, CA DC.

**A. Pallet Shipping - Pallet Requirements**

Big Lots DOES NOT HAVE A PALLET EXCHANGE POLICY. It is the vendors’ responsibility to inform the carrier of our “No Pallet Exchange” policy. Any charges for pallets must be negotiated up front with the buyer.

**Big Lots prefers merchandise to be shipped on pallets or slip sheets.**

Only one style/article number shall be shipped per pallet. Big Lots allows one partial pallet per style/article number. In the case where small quantities have been ordered resulting in underutilized pallets, please contact the Vendor Compliance Department for appropriate palletizing instructions.

If merchandise is palletized, the following standards must be adhered to:

- Pallets must be of at least **Grade B, GMA 4-way type, 48”x40”**. Apple Valley, CA DC requires a Grade A, GMA 4-way type, 48”x40” pallet. See section 9B for additional pallet requirements for the Apple Valley, CA DC.
- Pallets must not have any broken or loose boards, or protruding nails.
- Clear transparent shrink-wrap must be used to secure the freight to the pallet.
- The use of colored shrink-wrap is not permitted.
- The shrink-wrap should be tied or attached to the pallet ensuring that the first wrap covers the pallet.
- Pallet should be wrapped securely from the top to the bottom.
- DO NOT double stack pallets and wrap them together to create a single handling unit.
- Single pallet weight may not exceed 2,500 lbs. without written authorization from Big Lots.
- Freight is not to overhang the pallet more than 1 ½” on any side. Apple Valley, CA DC pallets must have no overhang. See section 10B for additional pallet requirements for the Apple Valley, CA DC.
- Palletized freight in bags (not in cartons) must have a slip sheet between the pallet and the freight to prevent the bags from sagging between the deck boards of the pallet.
- Cartons are to be placed on the pallet so that the labels face upward or outward.

Pallets not meeting the standards listed may result in a performance deduction for freight not properly palletized (see Performance Deduction List on page 33).

Please contact the Big Lots Vendor Compliance Department (see page 38) if you have any questions about pallet requirements.

**Pallet Maximum Dimensions Requirements Table**

DC City	DC State	Pallet Length	Pallet Width	Max pallet weight
Apple Valley	CA	48”	40”	2,500 lbs.
Columbus	OH	48”	40”	2,500 lbs.
Montgomery	AL	48”	40”	2,500 lbs.
Rancho Cucamonga	CA	48”	40”	<b>2,000 lbs.</b>
Tremont	PA	48”	40”	2,500 lbs.
Durant	OK	48”	40”	2,500 lbs.

**Note:** Big Lots occasionally uses roll door trailers to pick up vendor freight. These trailers have a maximum allowable pallet height of 90”. If your freight will be stacked 90” tall or taller, you will need to indicate in the memo field of the routing request that a **swing door trailer** is required due to the height of the freight. Please contact the Big Lots Vendor Compliance Department (see page 38) if you have any questions about pallet requirements.

## Pallet Types

- Big Lots prefers freight to be loaded on white wood, Grade B or better, GMA 4-way type, 48"x40" pallets. Apple Valley, CA DC requires a Grade A, GMA 4-way type, 48"x40" pallet. See section 9B for additional pallet requirements for the Apple Valley, CA DC.
- Rented pallets (ex: Chep, iGPS, Peco) are accepted but are discouraged for items shipped in full pallet quantities to our stores due to the additional liability and handling cost incurred by Big Lots for returning the pallets

Listed below are the Big Lots account numbers for Chep and Peco:

DC	Chep	Peco
Apple Valley, CA – DC 869	4000381206	70676
Columbus, OH – DC 890	6100401149	44911
Durant, OK – DC 879	4000065470	44907
Montgomery, AL – DC 870	6100616408	44910
Rancho Cucamonga, CA – DC 873	6100416124	44909
Tremont, PA – DC 874	6130938763	44908

## **B. Pallet Loading Requirements – Apple Valley, CA DC**

Big Lots Apple Valley DC uses advanced automated technology systems. The distribution processes for this facility will handle product differently than other Big Lots DCs. This section outlines our new vendor compliance requirements for the Apple Valley, CA Distribution Center. Complete vendor cooperation in meeting the following specifications is required.

### **1. Pallets – Apple Valley, CA DC**

The system is designed to handle **Premium 1A Grade GMA pallets** that are in good condition and are free of damage that would prevent conveyance, proper positioning, or adequate support of the load via the proposed Storage Retrieval Machines (SRM's) and racking. The system performance could be adversely affected if defective pallets are introduced to the system. Pallets will be of a high quality and conform to the following requirements:

#### a) GMA Pallet Requirements:

- Top Boards; 5/8" x 5.5" x 40" boards on each end and five (5) 5/8" x 3.5" x 40" boards evenly spaced between the end boards
- Stringers; 1.38" x 3.5" x 48" boards. All stringers will be solid.
- No companion stringers, block/plugs, or mending plates.



- All pallets will have bottom boards perpendicular to the stringers.
- Bottom Boards; 5/8" x 5.5" x 40" boards on each end and three (3) 5/8" x 3.5" x 40" boards evenly spaced between the cutouts (notches).
- No protruding nails or staples.
- No broken or missing boards.
- No splintered edges or surfaces.
- Rigid enough to limit deflection under load to 1/2" when supported on two sides with continuous surfaces.

	Length	Width	Height	Weight
Wooden GMA Pallet	48"	40"	5.5"	65 lbs.

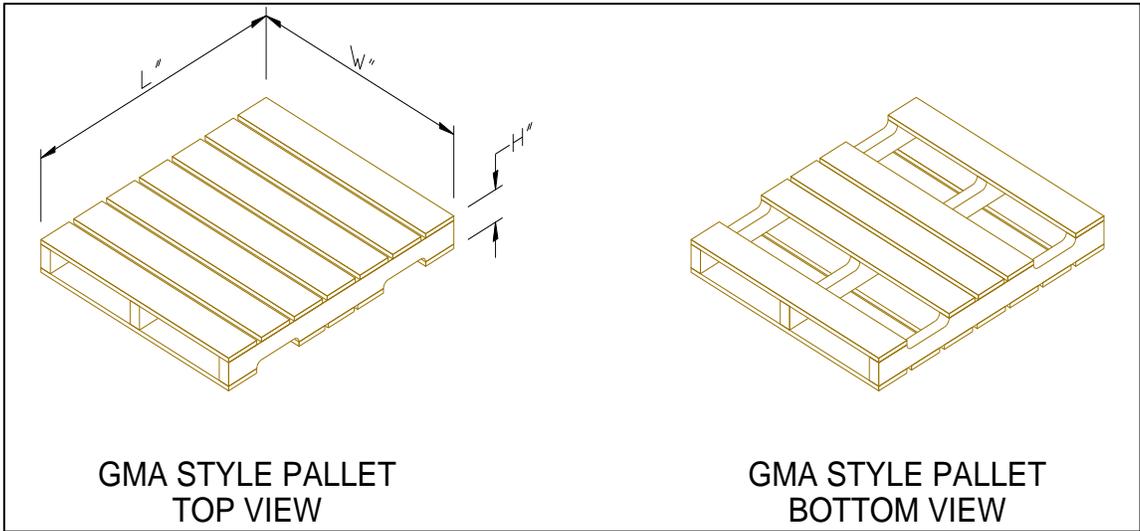


Figure 16: Pallets to Be Handled

	Length	Width	Weight
Pallet Fully Loaded	48"	40"	≤ 2,500 lbs.

b) Pallet Loads - The following bullets are the design parameters for pallet loads to be handled by automation:

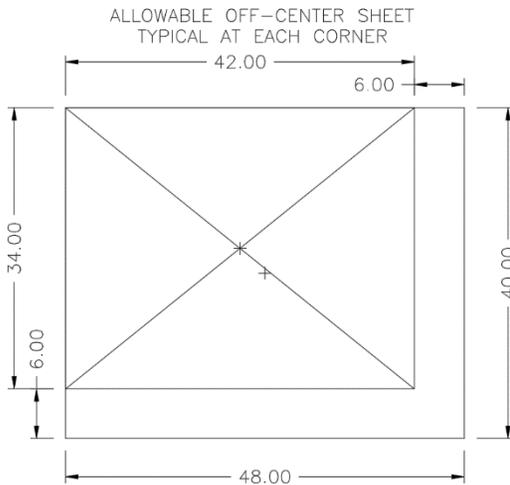
- Full loads entering the system may not be a pallet-on pallet.
- Full loads entering the system will not be pallet-on-board.
- Full loads entering the system will be stretch wrapped.
- Overall weight of loads will not exceed 2500 lbs. including the pallet.
- Some loads may have slip sheets, tier sheets, or top caps as detailed herein.
- Overall layer weight of any given load will not exceed 500 lbs.
- Product cannot overhang the pallet. All product must fit within the dimensions of the 48 X 40 GMA Grade A pallet.
- Layer patterns will not have voids.
- All product on a layer will be the same height.
- No case may bridge between two (2) layers.
- Palletized freight must be shipped in complete, even layers.
- Minimum layer size 42" L x 34" W
- Layer offset not to exceed 3" from any side of the pallet

## 2. Slip Sheets, Tier Sheets, and Top Caps – Apple Valley, CA DC

Slip sheets are defined as corrugated or plastic sheets upon which a load is built. This sheet is usually placed on a pallet to increase load integrity and reduce product damage.

### a) Slip sheets, Tier Sheets, and Top Caps Requirements:

- Tier sheets may or may not have tabs and rounded corners.
- Tier sheets are defined as corrugated or plastic sheets placed between the layers of a load to increase load stability. Configuration is as detailed herein.
- Top caps are defined as corrugated or plastic sheets placed on top of the load to reduce product damage.
- This sheet may or may not have folded flaps to encapsulate the top of the load. Configuration is as detailed herein.
- Sheets must be suitable for pick up and placement by vacuum operated devices.
- The maximum sheet size is 47 3/4" x 39 3/4"



- The minimum sheet size is 42" x 34"
- Sheets cannot exceed the maximum sheet size of 48" X 40".
- 32 ECT C Kraft should be used to construct the sheet.
- Corrugate direction should be vertical.
- If product doesn't interlock when building the TI X HI, tier sheets must be used to keep the product layers intact.
- Shipments on slip sheets are acceptable but must be approved by Big Lots Vendor Compliance Manager.

**C. Floor Loaded Shipping Requirements – All DCs**

- When floor loading trailers, always load tight, bottom to top and side to side.
- DO NOT MIX ARTICLES when floor loading. Load one article until complete and then start the next article.
- Always load heavy freight on bottom with light freight on top to prevent crushing and load instability.
- When loading product on a trailer that will not be filled to capacity, down stack the product on the rear of the trailer to resemble stair steps (see left photo below). This should minimize product from falling while the trailer is in motion, thus reducing the chance of damage.



- **Vendors are responsible for securing pallets and floor loads to keep them from shifting during transit.** Approved items to secure freight are as follows: load locks, air bags, dunnage and trailer straps (see right photo above).
- Floor loaded shipments not meeting the standards listed may result in a performance deduction for freight not properly floor loaded (see Performance Deduction List on page 33).

**D. Sealing of Trailers**

The trailer must be sealed **by the vendor** before it departs the ship point. **The seal number must be noted on the BOL.**

**E. Shipper Load and Count Agreement**

Product must be shipped as “**Shipper Load and Count**” (SLC), unless previously authorized by the buyer and the Traffic Manager to ship “Shipper Load and Driver Count”. Vendors must provide the Vendor Compliance Department written authorization from the buyer to make the change. Big Lots will hold the carrier responsible **ONLY** for cartons or pallets confirmed by the carrier at pickup.

For “Shipper Load and Count” scenarios: The agreement between the shipper and carrier will dictate that cartons will be counted at the shipper’s facility. If the vendor does not complete the Bill of Lading as stipulated in the agreement (e.g. the vendor completes the Bill showing a pallet count rather than a carton count) the carrier will only be responsible for the units as defined in the agreement. All other shortages will be the responsibility of the vendor. Big Lots will assume no liability for any SLC agreements between carrier and vendor. It is important that each carrier and vendor understand the exposure and risk of such agreements. If the carrier and vendor should enter into such an agreement, Big Lots asks that all carriers adhere to and agree with the elements of an SLC as found below, in particular:

- The SLC agreements will stipulate cartons counts, not skid counts
- Notification of exception must occur within twenty four (24) hours of first point of break
- Notification of exception or NO exception **MUST** be provided back to the vendor

If a vendor has a Shipper Load and Count Agreement that they would like Big Lots to review to see if it fits within Big Lots guidelines, please contact the Big Lots Transportation Team.

## Section 11: Performance Deduction List

### A. Performance Deductions

Big Lots requires its vendors to strictly adhere to the instructions contained within this document. Vendors failing to adhere to these instructions will be subject to performance deductions as per the schedule below. These charges are designed to cover the additional costs incurred by Big Lots and to foster improved performance with our Routing and Compliance Guide instructions. Please be advised that Big Lots' decision to modify orders and/or forego deductions in any one or several instances shall not constitute an agreement to forego or waive any deduction in the future and shall not act as a waiver of the right to enforce deductions in the future. Big Lots reserves all such rights and remedies, including the right to fully enforce all Vendor Compliance procedures.

#### Logistics / Transportation

Non-Compliance Issue / Where Referenced in Guide	Validation	Deduction Amount
PO was not routed in Traffic portal ( <a href="http://www.bigrouting.com">www.bigrouting.com</a> ) – Page 19	All POs meeting the requirements to be routed, must be routed in the routing portal	\$50 per shipment
PO was not routed on time – Pages 15 & 19	All shipments on a PO must be <u>routed on or before</u> the <b>Must Be Routed By</b> date on the PO.	<b>1-2 days late</b> = \$150 <b>3+ days late</b> = \$250 per shipment
PO was not shipped on time (Collect) – Page 15	A shipment must be made available to ship by the vendor on or before the <b>Cancel if not Shipped by</b> date on the PO.	\$250 per shipment
PO was not delivered on time (Prepaid) – Page 15	A shipment must be delivered by the vendor during the week (Mon-Fri) of the <b>Delivery Date</b> on the PO.	\$250 per shipment
BOL does not contain the required fields – Page 24	The vendor BOL must contain all required information	\$50 per occurrence
Accessorial charges incurred by Big Lots due to vendor negligence (assessed by the Freight Payment Dept.) – Page 22	All charges for accessorial service performed at the vendor's ship point not previously agreed upon by the buyer or the Big Lots transportation team	As charged to Big Lots by the carrier
Vendor shipped merchandise to the wrong location – Page 22	Destination on vendor BOL was different than the destination on the Big Lots BOL.	Cost to Remedy

#### Receiving

Non-Compliance Issue / Where Referenced in Guide	Validation	Deduction Amount
Packing list missing – Page 23	Packing list must be attached to the last pallet or carton loaded.	\$50.00 per occurrence
Packing list quantity does not match with what was received – Page 23	Packing list quantities must match the shipment quantities.	\$100.00 per occurrence
Packing list pack size does not match with what was received – Page 23	Packing list pack sizes must match the shipment pack sizes.	\$100.00 per occurrence
Packing list item does not match with what was received – Page 23	Packing list items must match the shipment items.	\$100.00 per occurrence
Load type at receipt did not match appointment load type from Big Lots traffic system – Page 21	The load type declared in the shipment routing must match how the shipment was loaded.	\$150.00 per occurrence
Cartons were not sealed and labeled according to the routing guide – Page 25	Cartons must be properly sealed and labeled.	\$2.00 per carton
Freight was not properly palletized – Pages 27-30	Palletized merchandise must be in good condition, wrapped top to bottom, blocked and braced to prevent shifting, and SKUs segregated.	\$25.00 per pallet
Floor loaded freight was not properly loaded, blocked and braced – Page 32	Floor loaded freight must be properly blocked and braced to prevent shifting during transit, and SKUs segregated.	\$25.00 per incremental hour

## Ticketing

Non-Compliance Issue / Where Referenced in Guide	Validation	Deduction Amount
Pre-ticketing errors (assessed by Pre-Ticketing Department) – Page 26	Vendor applied price tickets must be scannable, and scanned information must match the PO information	\$0.25 per ticket
UPC errors - Page 19 & 26	UPC barcode does not scan, is missing, or does not match the product	\$100 per occurrence

## EDI

Non-Compliance Issue / Where Referenced in Guide	Validation	Deduction Amount
ASN quantity does not match the receipt – Page 17	ASN quantities must match the shipment quantities.	\$100 per occurrence
ASN not received before trailer received at DC – Page 17	The ASN must be received before the shipment arrives at the DC.	\$25 per ASN
ASN does not contain the required fields – Page 17	The ASN must contain certain critical fields otherwise the ASN cannot be used, resulting in a manual receipt.	\$25 per ASN

Deduction notices are sent automatically via e-mail from our Vendor Compliance system. The e-mails originate from the e-mail domains gxs.com or opentext.com. Please make sure that e-mails from these addresses are not blocked by spam filtering. **Charges assessed by Vendor Compliance will be listed on the invoice with the DC ID (870, 879, etc.) and have nine additional numbers (ex: 879000040523). Short pays taken by Accounts Payable will begin with a different value. Inquiries for Accounts Payable short pays should be directed to [apvendorinquiries@biglots.com](mailto:apvendorinquiries@biglots.com).**

### **B. Vendor Compliance Disputes**

Any dispute of a compliance deduction filed against a vendor must be addressed via Big Lots Vendor Compliance System within **ninety (90) days** of the deduction date. **Disputes sent via e-mail will not be reviewed.** Vendors must first complete the Vendor On-Boarding Process in the Vendor Compliance System to be able to dispute violations. Contact the Vendor Compliance Department at [vendorcompliancemanager@biglots.com](mailto:vendorcompliancemanager@biglots.com) for information on completing this process. Any deduction not disputed by the vendor within **ninety (90) days** of the deduction date will stand as filed without further review. Any deductions reversed by Vendor Compliance do not necessarily relieve the vendor of any freight shortage deductions applied by Accounts Payable.

### **C. Vendor Performance**

Vendors are rated on a quarterly basis. **Performance is based on domestic shipments and a weighted average of shipments against the number of logistics issues (70%), shipping accuracy issues (15%), and shipping efficiency issues (15%).**

**Our goal is for vendors to be at or above 98.50% as an overall score, and 97% in each group.**



## **Section 12: Direct to Store Requirements**

This section covers requirements for shipping merchandise directly to our stores.

### **A. Deliveries Made by Vendor**

Big Lots requires its vendors to deliver one to two times per week, depending upon the store weekly sales volume.

All deliveries must be prepaid shipments.

Direct to Store vendors are not required to call the store before delivering product. Big Lots requires all deliveries to be made Monday through Friday between the hours of 8 a.m. – 6 p.m., but not on a day that the store receives its Big Lots DC shipment. Go to <http://www.biglots.com/corporate/vendors/routing-and-compliance>, then select the “Store directory with delivery days” document to understand which day of the week to NOT schedule a delivery. Weekend deliveries may be permitted if store management and the vendor have made previous arrangements. It is advisable to obtain the name of the person authorizing the delivery at each store.

The route driver or representative is required to check in with the Manager on Duty and sign the DSD Weekly Action Form at the service desk at the time of delivery. Deliveries can be made through the front door or the back receiving door.

The vendor will rotate product and remove expired/damaged product from shelves and complete credit document prior to goods leaving the building. The credit document must be signed by the Manager on Duty and the vendor. Vendor will then return with new product to stock shelves. New product and the invoice must be verified by the Manager on Duty.

A paper copy of the invoice or credit is to be left at the store. Note: All deliveries and credits are to be billed on separate invoices:

- One invoice for delivery of product
- One invoice for credit of returned product

All DSD vendors are required to bill via EDI, transmitting all invoices electronically within 48 hours of delivery to the store. On time invoicing must be done to avoid inventory issues at the stores.

All DSD vendors are to provide Big Lots with a monthly statement, listing all open items.

### **B. Deliveries Made via FedEx/UPS**

The Delivery Date on the PO reflects the week (Monday-Friday) the goods must deliver to the store.

All POs must be shipped complete and on time. There should be no backorders. Any concerns about not shipping complete or on time must be immediately relayed to the buyer. The vendor may be responsible for shipping charges on back order shipments.

POs will have enough lead time to allow for shipping via Ground service. Vendors should use Ground service unless otherwise authorized by your buyer.

Each carton must contain a detailed packing list of all goods in the carton. If shipping multiple cartons at once, each carton must have its own packing list and be marked as Carton 1 of X, Carton 2 of X, etc. In addition, vendors should use a master tracking number covering all cartons shipped at the same time.

**Direct to Store Collect POs: contact Vendor Compliance for shipping instructions.**

## **Section 13: Accounts Payable**

### **A. Invoicing Requirements**

The “Bill To” address is the same for all “Ship To” locations:

“Ship To” Location (ex. CSC Distribution, Inc.)  
c/o Big Lots Stores, Inc.  
Accounts Payable  
4900 E. Dublin-Granville Road  
Columbus, OH 43081-7651

- Separate invoices are required for each distribution center, each purchase order and/or each shipment. Shipments made directly to store locations must be billed by store. DO NOT MIX PURCHASE ORDERS OR DISTRIBUTION CENTER ON INVOICES.
- Vendor name in the invoice heading must match the vendor name on the purchase order.
- The seller warrants by the delivery of merchandise for this order, that the merchandise so delivered conforms to and the seller has complied with all federal and state laws and regulations relating to its manufacture, sale and delivery in interstate and intrastate commerce.
- Full compliance with all Big Lots Vendor Standards is required on all containers, off price merchandise and special purchase buys.
- All vendors, including those vendors who are set up on a domestic letter of credit, are required to be in full compliance with all Big Lots standards contained in this manual.
- Submit invoices by one medium only: EDI810 or email (OutsideVendorInvoices@BigLots.com)

#### **Each invoice must contain the following information:**

- The full name, vendor #, address of the vendor, telephone and fax number
- The commercial invoice date and number
- Purchase order number
- PO Line Item number (line number in sequential order)
- Quantity in eaches, item number, style/article number, case pack and description of the item being shipped
- Unit cost, extended unit cost
- Total weight
- Total carton count
- Date of shipment (Pre-dating is not permitted)
- Carrier name
- Actual shipper, shipping point and zip code when different from vendor name and address on invoice
- Payment “remit to” address
- Payment terms (due date in lieu of payment terms)

#### **Additional Accounts Payable Contacts:**

- For payment status of an invoice, call 614-278-6858 (Vendor number is required)
- For Accounts Payable assistance, call 614-278-6800
- Merchandise purchased for resale is tax exempt. For tax exemption certificate, call 614-278-6831
- For Tax Identification number, call 614-278-7012 or 614-278-6582

**B. Payment Terms**

Big Lots issues payment for all invoices electronically. Terms of payment are calculated from the later of the invoice date or the receipt of goods. However, the due date could be extended without loss of discount, until an invoice is fully received.

When Big Lots assumes any portion of the transportation cost, ship freight collect. Invoices must not include freight or non-merchandise related charges.

A valid POD (Proof of Delivery) is defined as a freight bill stamped and signed by an authorized representative of Big Lots. We do not accept a Bill of Lading as a valid form of POD. The freight bill must also include: a purchase order number and carton count (if multiple orders, provide carton count by purchase order).

**C. Vendor Payment Disputes**

If amounts deducted from payments are in dispute, e-mail copy of the debit note, invoice, signed BOL and a brief explanation of the dispute. This must be received in the Accounts Payable department within 90 days of the check date or the deduction(s) will stand.

All correspondence relating to Accounts Payable matters for merchandise shipments should be e-mailed to [apvendorinquiries@biglots.com](mailto:apvendorinquiries@biglots.com).



## Section 14: Big Lots Contact List

Function	Contact name & E-mail address	Phone
Vendor Compliance Department E-mail Address	<a href="mailto:vendorcompliancemanager@biglots.com">vendorcompliancemanager@biglots.com</a>	
Vendor Compliance Manager	Anthony Fabro – <a href="mailto:afabro@biglots.com">afabro@biglots.com</a>	614-278-3868
Vendor Compliance Senior Analyst	Karen Smith – <a href="mailto:karensmith@biglots.com">karensmith@biglots.com</a>	614-278-3393
<b>Vendor Compliance Analyst</b>	<b>Jason Winebold – <a href="mailto:jwinebol@biglots.com">jwinebol@biglots.com</a></b>	<b>614-278-3654</b>
Vendor Compliance System Web Link	<a href="https://visibility.inovis.com/dataquality/xclient/biglots">https://visibility.inovis.com/dataquality/xclient/biglots</a>	
EDI Department	<a href="mailto:biglotsedidept@biglots.com">biglotsedidept@biglots.com</a>	614-278-6551
Transportation Services Manager	Joe Riggs – <a href="mailto:jriggs@biglots.com">jriggs@biglots.com</a>	614-278-3219
Unyson Inbound Routing Team	<a href="mailto:biglotsinbound@unyson.com">biglotsinbound@unyson.com</a>	866-823-9501
Prepaid Appointment Request	<a href="mailto:biglotsappts@unyson.com">biglotsappts@unyson.com</a> or <a href="mailto:appointments@biglots.com">appointments@biglots.com</a>	
Transportation Financial Planning Mgr.	Jameson Parker – <a href="mailto:jparker@biglots.com">jparker@biglots.com</a>	614-278-3748
Accounts Payable Team	<a href="mailto:apvendorinquiries@biglots.com">apvendorinquiries@biglots.com</a>	614-278-6858
Accounts Payable Manager	Jennifer Christy – <a href="mailto:jchristy@biglots.com">jchristy@biglots.com</a>	614-278-6956
Pre-Ticketing Department	<a href="mailto:ticketing@biglots.com">ticketing@biglots.com</a>	
<b>Protection Systems Mgr. (EAS/Security Tags)</b>	<b>Alecia Camps - <a href="mailto:acamps@biglots.com">acamps@biglots.com</a></b>	<b>614-278-6571</b>
Risk Management Manager	Allen Wingfield – <a href="mailto:awingfield@biglots.com">awingfield@biglots.com</a>	614-278-7205
Big Lots – General Inquiries	<a href="http://www.biglots.com/help/contact-us">http://www.biglots.com/help/contact-us</a>	

### Big Lots Distribution Center Contact List

All DCs:

Collect Shipment Contact: [biglotsinbound@unyson.com](mailto:biglotsinbound@unyson.com) or 866-823-9501

Prepaid Shipment Contact: [biglotsappts@unyson.com](mailto:biglotsappts@unyson.com) or [appointments@biglots.com](mailto:appointments@biglots.com) or 866-823-9501

<b>Distribution Center #869</b> <b>AVDC, Inc.</b> <b>18880 Navajo Road</b> <b>Apple Valley, CA 92307</b>	Receiving Hours: Live Loads: 0600-2359 Drop Loads: 24/7	<b>Distribution Center #870</b> <b>CSC Distribution, Inc.</b> <b>2855 Selma Highway</b> <b>Montgomery, AL 36108</b>	Receiving Hours: Live Loads: 0730 – 2200 Drop Loads: 24/7
<b>Distribution Center #873</b> <b>West Coast Liquidators, Inc.</b> <b>12434 Fourth Street</b> <b>Rancho Cucamonga, CA 91730</b>	Receiving Hours: Live Loads: 0615 – 1900 Drop Loads: 24/7	<b>Distribution Center #874</b> <b>Closeout Distribution, Inc.</b> <b>50 Rausch Creek Road</b> <b>Tremont, PA 17981</b>	Receiving Hours: Live Loads: 0600 – 1900 Drop Loads: 24/7
<b>Distribution Center #879</b> <b>Durant DC, LLC</b> <b>2306 Enterprise Drive</b> <b>Durant, OK 74701</b>	Receiving Hours: Live Loads: 0600-1000 / 2200 – 0200 Drop Loads: 24/7	<b>Distribution Center #890</b> <b>Big Lots Stores, Inc.</b> <b>500 Phillipi Road</b> <b>Columbus, OH 43228</b>	Receiving Hours: Live Loads: 0600 – 1700 Drop Loads: 24/7
<b>Distribution Center #882 (Fixtures/SOS)</b> <b>Big Lots F&amp;S, Inc.</b> <b>550 Phillipi Road</b> <b>Columbus, OH 43228</b>			