

MERCHANDISE MANAGEMENT FOR RETAIL STORE ASSOCIATES

The following information outlines the policies and procedures in the PVH CORP. RETAIL POLICIES & PROCEDURE guide distributed to all of the stores. The retail store associates are instructed to adhere to the following procedures when receiving their freight.

PVH has contractual agreements with all freight carriers to adhere to the following guidelines:

- Shipment is to be delivered between the hours of 10:00 A.M. and 3:00 P.M.
- Inside delivery is required.
- Carrier is to stack the cartons with the address labels facing outward in the designated backroom area of the store and as close to the back door as possible.
- If the carrier cannot deliver the freight on the scheduled day or time, the carrier is required to notify the store and the PVH Transportation Department, to advise them of the delay and the rescheduled day and/or time.
- The Store Bill of Lading is to accompany the shipment.

If the carrier does not comply with the guidelines outlined above, the store associates are to take the following steps:

STEP

ACTION

1. E-mail the Transportation Department and include the following information:
 - Division
 - Store number, City, and State
 - Receipt date
 - Time of delivery
 - Non-compliance issue (i.e., cartons not stacked with labels facing outward, store not notified of late delivery)
2. Sign all the copies of the Store Bill of Lading noting the date and the time of delivery.
3. Retain a copy of the signed Store Bill of Lading in 'Drawer 1' along with the other shipping and receiving paperwork.

Receiving the Merchandise

STEP

ACTION

1. Upload the receiving scanner from the controller prior to scanning the delivery. Prior to the delivery, clear out any existing information before scanning in the current shipment.
2. Jonesville Distribution Center will send a copy of the current week's shipment manifest to each store on a PDF file via e-mail. Print a copy of the manifest prior to arrival of the delivery. The store can access their manifest by clicking on the store number in the "bookmark" section of the PDF file.
3. The receiving area of the store should be clear of debris (garbage, fixtures, equipment) including prior week's unprocessed freight, and third-party shipments.
4. Where applicable, all doors in the entryway to the receiving area should open to provide a clear path for the carrier to maneuver through with a pallet jack or a hand truck.
5. The carrier is to provide the store with two copies of the Store Bill of Lading. One signed copy is to be retained by the store and the second signed copy is to be given to the driver.
6. The carrier is required to provide "inside delivery" and stack the cartons facing outward in the designated area. The designated area should be as close as possible to the backdoor.
7. When the driver is out getting more freight, the store should simultaneously conduct a visual inspection of each carton label, noting the division, and the store number to ensure that all the cartons belong to their store, as they scan and with a red marker, number each carton in consecutive order.
8. If due to space constraints, the cartons are moved from the receiving area, the driver is to sign-off on the number of cartons moved.

9. While the driver is still in the store, verify the number of cartons delivered. The driver and the receiving associate are to agree on the count before the driver leaves. When the store and the carrier disagree on the final count, both parties must perform a manual recount. The store may not depend on the scan count. If the store does not allow the driver a manual recount, the store will not be permitted to offset the shortage with a claim.
10. The store associate is to sign the Store Bill of Lading noting the number of cartons received. All over/short/damaged cartons must be noted on all the copies of the Store Bill of Lading. If there is a shortage, sign all the copies with the number of cartons received against the number of cartons scheduled to receive. For example, if store #001 was scheduled to receive 200 cartons and the delivery was 2 cartons short, sign the Store Bill of Lading 198 of 200 received.

NOTE: Failure to indicate over, short, or damaged cartons on all copies of the Store Bill of Lading prior to the driver leaving the store, relieves the carrier of any liability for discrepancies in the shipment.

NOTE: Under no circumstances are the stores to refuse cartons addressed to their store, regardless of the condition.
11. Retain a signed copy of the Store Bill of Lading, and attach it to the daily Activity List at the end of the day.