



BIG LOTS!

Vendor Routing and Compliance Guide



Store 5437 - Delaware, OH

Domestic Merchandise Vendors

Version 5.6 - July 2023

Dear Valued Vendor Partner,

We have added and/or made changes to our routing guide version 5.6 in response to changes in our business and questions from our vendor partners.

The following changes have been made from routing guide version 5.5:

- Added a link to the Big Lots Supplier Code of Conduct (page 5)
- Added a link to the Big Lots Human Rights Policy (page 5)
- Added a link to the Big Lots PO Terms and Conditions - Domestic (page 6)
- Clarified unauthorized floor loaded prepaid shipments may result in the vendor being charged incremental labor (page 20)
- Updated LTL carrier list (page 20)
- Clarified when notification to Inbound Team of temperature sensitive goods must take place (page 22)
- Updated GS1 Apparel and Merchandise Floor Ready Guidelines link (page 29)
- Updated GS1 Hanger Guidelines link (page 30)
- Removed references to NFI FDC locations (pages 31 and 42)
- Clarified the late route / late ship / late deliver penalties are all assessed per shipment (page 37)
- Clarified when the 90 day period for disputing deductions starts (page 37)

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 Inbound Transportation Team at 614-278-4618 or via e-mail at inboundlogistics@biglots.com. All other inquiries can be addressed with our Vendor Compliance Department (see contacts on page 41), or by sending an e-mail to vendorcompliancemanager@biglots.com.

Thank you,

Gregg Sayers
Big Lots, Inc.
Vice President, Distribution

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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

Headquartered in Columbus, Ohio, Big Lots, Inc. (NYSE: BIG) is one of America's largest home discount retailers, operating more than 1,420 stores in 48 states, as well as a best-in-class ecommerce platform with expanded fulfillment and delivery capabilities. The Company's mission is to help customers "Live Big and Save Lots" by offering unique treasures and exceptional bargains on everything for their home, including furniture, seasonal decor, kitchenware, pet supplies, food items, laundry and cleaning essentials and more.

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

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 41), or send an e-mail to 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. 42 of this Guide. Specific requirements for direct to store shipments can be found on p. 38 of this Guide.

How to use the Guide

The Guide is posted on the web at <http://www.biglots.com>; 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 5.6 of the Guide is in effect as of July 30, 2023 unless otherwise noted. Vendors must follow the routing instructions detailed in the Guide.

The revised version of the Guide (5.6) 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 1a: *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.

The complete Big Lots Supplier Code of Conduct can be found at:

<https://assets.biglots.com/is/content/biglots/2023.06.28-BigLotsSupplierCodeofConductpdf>

Section 1b: *Human Rights Policy*

Human Rights Policy

Big Lots, Inc., with its subsidiaries and affiliates (collectively, “Big Lots”), is committed to fostering and maintaining a corporate culture that respects and adheres to principles aimed at promoting, protecting, and supporting internationally recognized human rights in all aspects of our business, regardless of sex, race, color, religion, national origin, age, disability, marital status, gender identity or expression, sexual orientation, genetic information, military, veteran status, and any other characteristic protected under law.

The Big Lots Human Rights Policy (“Policy”) supports the fundamental principles of Human Rights, as defined by the United Nations’ Universal Declaration of Human Rights. We respect international human rights principles aimed at promoting and protecting human rights, including the United Nations’ Guiding Principles on Business and Human Rights, the International Bill of Human Rights (including the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), and the International Labor Organizations Declaration on Fundamental Principles and Rights at Work.

The Big Lots Human Rights Policy can be found at:

<https://assets.biglots.com/is/content/biglots/BigLotsHumanRightsPolicyFINAL2023.03v2pdf> .

Section 1c: *PO Terms and Conditions - Domestic*



The Purchase Order Terms and Conditions (these “Terms & Conditions”) are an agreement between Buyer and Vendor consisting of these Terms & Conditions; all Purchase Orders; the terms contained on Buyer’s Vendor Resource Website, including, without limitation, those in the Vendor Guide, and in Buyer’s vendor portal; any Buyer addenda referencing the Purchase Order; and any attachments, instructions or requirements provided by Buyer to Vendor (all of the foregoing are incorporated herein by this reference and collectively referred to as the “PO Terms”). The PO Terms are binding with respect to all purchases of Goods by Buyer from Vendor.

The Domestic PO Terms and Conditions can be found at the following link:

<https://assets.biglots.com/is/content/biglots/BigLotsPurchaseOrderTCDomesticRev.11.2022pdf>



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.

1. PURCHASE ORDERS (PAGE 14)

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.

2. EDI (PAGE 16)

VENDOR EDI REQUIREMENT (page 16): 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).

3. ROUTING & SCHEDULING (PAGE 19)

All **collect** shipments over 200 lbs. OR over 10 cartons must be routed in the Big Lots Transportation System ON or BEFORE the Must Be Routed By date on the PO. **Prepaid** shipments over 200 lbs. OR over 10 cartons must be scheduled with Big Lots Transportation at least one business day in advance at tmsappointments@biglots.com.

4. LABELING & SHIPPING (PAGE 23)

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 (page 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 #.

LOADING FREIGHT (page 31): 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 (page 35).

PALLETIZING PRODUCT (page 31): Pallets must be made of wood and at least Grade B 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 32). One SKU/article per pallet. Contact Vendor Compliance for mixed pallet instructions. Pallets must be securely wrapped to the top of the pallet.

4. LABELING & SHIPPING (PAGE 23)

SHIPPER LOAD & COUNT (SL&C) AGREEMENT (page 35): All product is under SL&C agreement unless otherwise authorized by Big Lots buyer and GM of Transportation.

LABELING FOR EDI VENDORS (page 28): GS1-128 labels are required at pallet level (palletized freight) or carton level (floor loaded).

5. VENDOR COMPLIANCE DEDUCTIONS (PAGE 36)

PERFORMANCE DEDUCTIONS (pages 36 and 37): 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 (PAGE 39)

INVOICE REQUIREMENTS (page 39): Vendors may submit invoices via email: 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 from our vendor portal with their vendor # once their profile has been established. The Vendor Compliance team will schedule a new vendor onboarding call soon after your initial POs are created. This meeting is **mandatory** and, if possible, should be completed before vendors route collect POs or schedule inbound appointments for prepaid POs. If you do not receive this e-mail, please contact the Vendor Compliance Team at 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 to complete this acknowledgment process.

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

Big Lots Supported EDI Transactions	
850	Purchase Order
856	Advance 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.

Big Lots uses SPS Commerce as its EDI testing partner. Contact the Vendor Compliance Department at vendorcompliancemanager@biglots.com when you are ready to begin EDI testing. Certification of successful EDI testing by SPS Commerce must be completed by the vendor before the EDI connection is activated (**exception**: vendors using a web-based EDI solution likely will not need to complete EDI testing; contact the Big Lots EDI Dept. at biglotsedidept@biglots.com to confirm that your web-based solution has been preapproved). Vendors are not required to use a SPS Commerce EDI solution when connecting with Big Lots.

Section 3: *New Vendor Set Up*



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 your buyer/merchant coordinator or biglots@ebix.com.

Section 4: *Never Out (NVO)*



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>New Vendors: Complete Vendor Set Up All required documents MUST be provided prior to POs being written.</p> <p>In addition to registering on the Vendor Compliance portal, from the portal please download and review the following documents in their entirety:</p> <ul style="list-style-type: none"> • Vendor Routing and Compliance Guide • Purchase Order Terms and Conditions • Ensure that all appropriate personnel at your company also familiarize themselves with the sections that are applicable to their departments. 	<p>Set up instructions will be e-mailed to vendor by Buyer.</p> <p>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 at:</p> <p>http://www.biglots.com/corporate/vendors/routing-and-compliance</p> <p>These documents as well as other vendor documents can be found through the following link to download:</p> <p>http://www.biglots.com/corporate/vendors/routing-and-compliance</p>	<p>If you have questions regarding vendor set up, please contact the Buyer</p>
<p>All new vendors shipping domestic merchandise to our distribution centers will be sent an e-mail from our vendor portal with their vendor # once their profile has been established. The Vendor Compliance team will schedule a new vendor onboarding call soon after your initial POs are created. This meeting is mandatory and, if possible, should be completed before vendors route collect POs or schedule inbound appointments for prepaid POs. If you do not receive this e-mail, please contact the Vendor Compliance Team at vendorcompliancemanager@biglots.com.</p>	<p>The Vendor Compliance team will schedule a new vendor onboarding call soon after your initial POs are created.</p>	<p>If you have questions regarding vendor compliance, have not received this e-mail, or an appointment request for new vendor onboarding, please contact vendorcompliancemanager@biglots.com</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:</p> <p>http://www.biglots.com/corporate/vendors/routing-and-compliance</p> <p>Also, refer to Vendor Routing and Compliance Guide - Section 13: Accounts Payable</p>	<p>Inquiries:</p> <ul style="list-style-type: none"> • Payment invoice status – call 614-278-6858 • Disputes – apvendorinquiries@biglots.com

Section 4: Never Out (NVO)



Requirement	Reference	Contact
<p>In order for a vendor to be set up as a Never Out (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"> Purchase Orders (850) Purchase Order change (860) Invoices (810) ASN (856) <p>New EDI Vendors: 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: http://www.biglots.com/corporate/vendors/EDI-enablement</p> <p>Big Lots partners with SPS Commerce for EDI testing.</p> <p>Big Lots uses SPS Commerce as its EDI testing partner. Contact the Vendor Compliance Department at vendorcompliancemanager@biglots.com when you are ready to begin EDI testing. Certification of successful EDI testing by SPS Commerce must be completed by the vendor before the EDI connection is activated (exception: vendors using a web-based EDI solution likely will not need to complete EDI testing; contact the Big Lots EDI Dept. at biglotsedidept@biglots.com to confirm that your web-based solution has been preapproved). Vendors are not required to use a SPS Commerce EDI solution when connecting with Big Lots.</p>	<p>If you have questions regarding EDI setup with Big Lots, please contact the Big Lots EDI department. biglotsedidept@biglots.com</p>
<p>All NVO vendors must align with the buying/NVO teams to forecast all NVO needs. <u>NVO SKUs are to be available for reorder immediately after set date of article.</u> <u>NVO vendor is required to hold agreed upon safety stock (WOS) on hand, in order to guarantee at once need.</u></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"> 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. NO UPC barcodes may be changed without prior notification and approval by Big Lots buyer. The UPC must correctly scan and match what is in the Big Lots system. 	<p>See Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling at: https://www.biglots.com/corporate/vendors/routing-and-compliance</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>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>

Section 4: *Never Out (NVO)*



Requirement	Reference	Contact
<p>All purchase order Terms and Conditions apply to all purchases. Requests to change purchase orders MUST be communicated and agreed to between both buyer and vendor.</p> <p>All merchandise that ships MUST comply with style, color, size and all other attributes addressed in the purchase order.</p>	<p>See Terms and Conditions document at: http://www.biglots.com/corporate/vendors/routing-and-compliance</p> <p>See Vendor Routing and Compliance Guide - Section 5: Purchase Order Information, Replenishment Purchase Orders at: http://www.biglots.com/corporate/vendors/routing-and-compliance</p>	<p>If you have questions regarding purchase orders, please contact the Buyer</p>
<p>All vendors MUST comply with Big Lots Routing Guide.</p> <p>Do not send unauthorized shipments, invalid orders, canceled 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: http://www.biglots.com/corporate/vendors/routing-and-compliance</p> <p>Communication to buyer is a MUST 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 Domestic collect purchase orders MUST be routed (on or before the Must Be Routed By date) using the Big Lots routing portal.</p>	<p>Routing portal: https://mip.logistics.com/login.jsp</p>	<p>If you have questions regarding routing, please contact Big Lots Transportation at inboundlogistics@biglots.com or call 614-278-4618</p>
<p>All Domestic prepaid purchase orders MUST be scheduled at least one business day in advance of desired delivery date.</p> <p>All prepaid shipments to our DCs must be palletized unless otherwise authorized by the Vendor Compliance Department.</p>	<p>The following information is needed to schedule a delivery appointment:</p> <ul style="list-style-type: none"> a) all PO#s on the appointment b) Requested date and time for delivery c) ASN Match # (if EDI vendor – see page 8 & 17 for requirements) d) Load Type (must be pallet) 	<p>Send an e-mail with the required info to: tmsappointments@biglots.com. Big Lots Transportation will respond with an appointment number to confirm the appointment.</p>
<p>All product shipped MUST ship from the agreed upon ship point stated on the purchase order.</p> <p>The buyer MUST approve any changes to the FOB point PRIOR 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 Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling at: http://www.biglots.com/corporate/vendors/routing-and-compliance</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>Recovery off sets / lost GM\$ impacts will be negotiated between the Buyer and Vendor.</p>	<p>See Vendor Routing and Compliance Guide - Section 5: Purchase Order Information, Replenish Purchase Orders at: http://www.biglots.com/corporate/vendors/routing-and-compliance</p>	<p>If you have questions regarding purchase orders Lead Times, please contact the Buyer</p>

Section 4: *Never Out (NVO)*



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"> 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. 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. Vendor has deemed that product has met all Prop 65 guidelines and has reviewed with buyer. 	<p>See Vendor Routing and Compliance Guide - Section 9: Packaging and Labeling at:</p> <p>https://www.biglots.com/corporate/vendors/routing-and-compliance</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 MUST 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:</p> <p>https://www.biglots.com/corporate/vendors/routing-and-compliance</p>	<p>If you have questions regarding the handbook, please contact the Pre-Ticketing Team at: ticketing@biglots.com</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	Questions	Key Contact
EDI	Technical EDI questions / connection issues	biglotsedidept@biglots.com
UPC	Product UPC 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 time frame	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	Big Lots Transportation - inboundlogistics@biglots.com
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	ticketing@biglots.com
Payment	When will an invoice be paid?	614-278-6858 or apvendedorinquiries@biglots.com

Section 5: Purchase Order Information

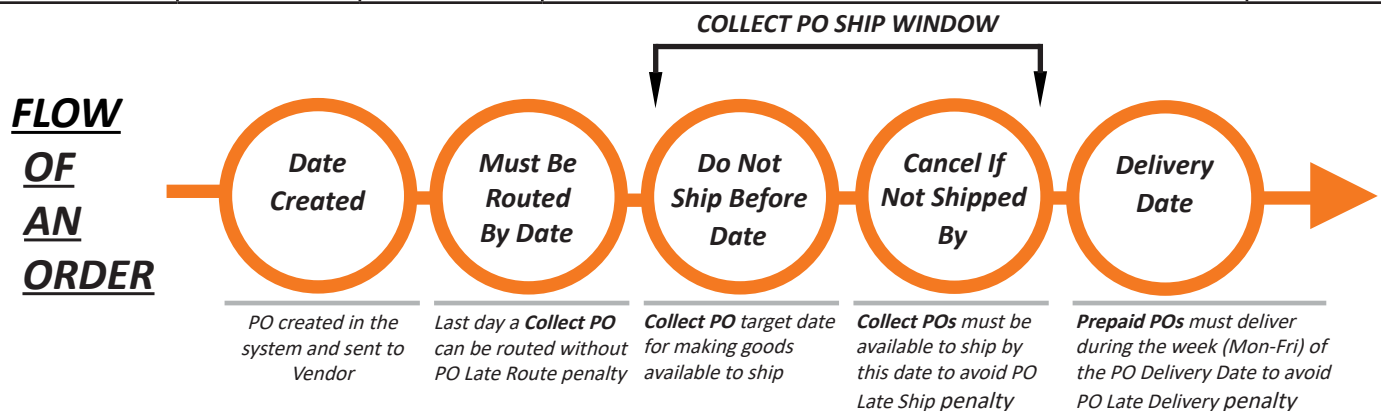


All Big Lots purchase orders must be shipped complete as ordered. Shipping partial orders (any short POs) may result in a deduction for additional transportation costs. We maintain a no back order policy, with the exception of replenishment orders as noted on p. 15.

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

Paper PO Information	EDI PO Information
PO#: 93755493 Date Created: 08/25/2022 Version: 0 Do Not Ship Before: 11/18/2022 Cancel if not Shipped by: 11/24/2022 Must be Routed by: 11/13/2022 Freight Terms: Collect FOB: IOWA, US	ST\850\040104661~ BEG\00\SA\93755493\0\20220826~ FOB\CC\USA\US\COLLECT~ FOB\CC\DE\US IOWA\OR\US\O~ DTM\073\20221113~ DTM\037\20221118~ DTM\002\20221121~ DTM\001\20221124~ DTM\275\20220825~

Date Name	Paper PO Reference	Applies to PO Type	Definition	EDI PO Reference
PO Creation Date	Date Created	Collect / Prepaid	Date the PO was created by Big Lots	DTM\275\
Must Be Routed By	Must Be Routed By	Collect	Date collect POs must be routed on or before in the routing portal at https://mip.logistics.com/login.jsp without incurring possible late route penalty	DTM\073\
Start of Ship Window	Do Not Ship Before	Collect	The earliest day a collect PO can ship	DTM\037\
End of Ship Window	Cancel if not Shipped by	Collect	The last day a collect PO can ship without incurring possible late ship penalty or risk being canceled by buyer	DTM\001\
Expected Landing	Delivery Date (Item page of PO, far right column)	Prepaid	The first day of the week (Mon-Fri) a prepaid PO is expected to deliver to the Big Lots DC. Prepaid vendors must deliver goods during this week or be subject to possible late delivery penalty.	DTM\002\



Tips:

- **Route** Collect POs as soon as you receive them. Do not wait until the Must Be Routed By date to route!
- 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 automatically 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 37).**

Section 5: Purchase Order Information



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 canceled 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.

B. Fill Rate Requirement

Big Lots expects all SKUs on POs to be filled 100%. SKUs filled below 95% may be subject to a charge.

Scope: NVO/replenishment/essentials and GRM/In-Out/Seasonal-Trend/Treasure SKUs; Closeout/Bargain SKUs are NOT in scope.

Measurement: SKU level on each PO

Measurement trigger: 14 days after last receipt on PO SKU quantity at time of measurement trigger

Requirement: eligible SKUs must be filled at least 95%

Penalty: 5% of cost of goods not shipped on each PO (\$150 min per PO)

Example: PO 99999999

SKU	Ordered	Received	Unit Cost	Fill Rate	Charge
111111111	1000	1000	\$2.00	100%	\$0
222222222	1000	990	\$5.00	99%	\$0
333333333	1000	950	\$2.00	95%	\$0
444444444	1000	900	\$20.00	90%	\$100*

* Calculation: 100 units short x \$20/unit = \$2000 X 5% = \$100. However deduction amount will be \$150 since subject to \$150 minimum charge per PO

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 vendorcompliancemanager@biglots.com to complete this acknowledgment process.

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

Big Lots Supported EDI Transactions	
850	Purchase Order
856	Advance 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 .

Big Lots uses SPS Commerce as its EDI testing partner. Contact the Vendor Compliance Department at vendorcompliancemanager@biglots.com when you are ready to begin EDI testing. Certification of successful EDI testing by SPS Commerce must be completed by the vendor before the EDI connection is activated (**exception**: vendors using a web-based EDI solution likely will not need to complete EDI testing; contact the Big Lots EDI Dept. at biglotsedidept@biglots.com to confirm that your web-based solution has been preapproved). Vendors **are not** required to use a SPS Commerce EDI solution when connecting with Big Lots.

Section 6: *EDI Enablement*



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. 36). Critical fields are defined as PO#, DC Ship To Location, Vendor #, ASN Match # (see information in this section), 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. 36).
- 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 now required for small parcel shipments shipped via FedEx or UPS to our DCs. The SCAC code must be sent on the ASN for these shipments, use FDEG for FedEx, and UPSN for UPS. No ASN match # is required for small parcel ASNs.

ASN Match # Information (Does not apply to small parcel ASN shipments)

The ASN match number is used by Big Lots to match the vendor's ASN in our TMS and WMS systems and replaces the BLC or BLP number value previously populated on vendor ASNs in the REF*2I segment. This value is entered in the ASN Match # field of the Ready To Ship (RTS) screen in the TMS for collect POs, and provided by the vendor/carrier to Big Lots Transportation when scheduling a prepaid PO.

Requirements for the ASN Match # value:

- Can be up to 25 characters long
- Can be alphanumeric, but we cannot process the special character "&"
- Spaces allowed but count as part of the 25 character limit
- Collect POs: value must be specific to the routing request (see Section 7B regarding routing)
- Prepaid POs: value must be specific to the appointment (see Section 7A regarding setting appointments for prepaid POs)
- **Note:** if more than one collect PO is routed together, each PO can either have the same ASN Match # or a unique ASN Match #. If more than one prepaid PO is scheduled together on the same appointment, each PO will have the same ASN Match #. The routed or scheduled ASN Match # must appear in the REF*2I segment of the ASN.

Suggested values: internal order number, or a pick number if that's available at the time you appoint your loads, whatever is unique to that shipment that makes sense to your business to input into two places: 1. In the routing request for **collect** shipments, or on the appointment email request for **prepaid** shipments, and 2. You'll use that same value in the REF 2I segment on the ASN.

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.

Section 6: EDI Enablement



B. GS1-128 Label Layout

From: Big Lots Vendor (A)	TO: BIG LOTS 500 PHILLIPI ROAD COLUMBUS, OH 43228 (B)
SHIP TO POSTAL CODE (420) 43228 (C)	CARRIER PO NUMBER: 00000000 B/L NUMBER: 00000 CARTON 000 OF 00 (D)
CONTENTS: ITEM# 000000000 VPN: 000 (E)	UPC: 000000000000 (F)
STORE: (91) 0890 (G)	MARK FOR: 0890 (H)
SERIAL SHIPPING CONTAINER CODE (00) 0 0000000 00000000 (I)	

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 Lotds 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; shipper generates this serial number, see http://www.gs1-128.info/sscc-18 for additional details
Font 10 - 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 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.

Section 6: EDI Enablement



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 36).
- Per GS1 guidelines, any product attribute change requires that a new UPC be created. Do not reuse UPCs if the product has changed in any way. Improper reuse of UPCs may result in a compliance cost to remedy penalty.
- Refer to the GS1 GTIN Guiding Principles document at <https://www.gs1.org/1/gtinrules/en/guiding-principles> for industry standard guidelines.

Section 7: Routing and Transportation

The following section details instructions for routing FOB collect shipments, and/or appointing FOB prepaid shipments to Big Lots.

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

Weight, Cube, Cartons	Collect Shipments	Prepaid Shipments
1 pound to 200 pounds AND less than or equal to 10 cartons	Collect POs moving small parcel (FedEx/UPS) must have freight terms of ZPC (Prepay and Charge), and the parcel charges can be added to the invoice. Contact your buyer to adjust the PO freight terms before shipping. Backorders sent small parcel must be sent prepaid.	Ship via service of choice; no need to schedule appointment with Transportation
Greater than or equal to 201 pounds or greater than or equal to 11 cartons	Must route in Big Lots routing portal at https://mip.logistics.com/login.jsp	Must schedule appointment with Big Lots Transportation at tmsappointments@biglots.com
Air Freight, Expedited or Guaranteed	Contact Big Lots at inboundlogistics@biglots.com	Contact Big Lots at inboundlogistics@biglots.com

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 routing portal 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 37). Big Lots Transportation 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 routing portal must be scheduled at least one business day in advance of anticipated delivery. See Section 7A for appointment scheduling instructions.

Vendors must route and ship from the FOB point listed on the PO. Vendors cannot ship one Purchase Order from more than one FOB point. Failure to notify Big Lots of multiple outbound locations for shipping a Purchase Order, or failure to adhere to the specific instructions provided by Big Lots may result in the vendor being assessed incremental freight charges.

Section 7: Routing and Transportation



A. Prepaid Shipments

All prepaid shipments to our DCs must be palletized unless otherwise authorized by the Vendor Compliance Department. **Unauthorized prepaid floor loaded shipments may result in the vendor being charged back for incremental labor cost.**

Prepaid shipments must be scheduled at least one business day in advance by sending an e-mail to tmsappointments@biglots.com. The following information is needed to schedule a delivery appointment: a) all PO#s on the shipment, b) Requested date and time for delivery, c) ASN Match # (if EDI vendor – see page 8 & 17 for requirements), d) Load Type (must be pallet). Big Lots Transportation will respond with an appointment number to confirm the appointment request.

Same day appointment requests will not be honored. The date requested cannot be before the Delivery Date on the PO. Best practice is to schedule prior to the truck departing the ship point. The driver will need the appointment # 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 delivered but not scheduled may result in a vendor performance deduction (see Performance Deduction list on page 37). All prepaid POs on the same truck must be scheduled under the same appointment #. Contact Big Lots Transportation 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 (**AAA Cooper, Estes Express, Old Dominion, XPO LTL**).

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. The DCs will refuse to unload any box truck unable to be safely secured to the dock using the loading dock lock. Big Lots will not be responsible for any redelivery or other associated charges if a truck is refused.

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, <https://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

For detailed instructions on how to route a collect purchase order, please go to the Big Lots Transportation Management System web page at <https://www.biglots.com/corporate/vendors/tms>. Here you will find:

- A short instructional video on routing in the Big Lots/Manhattan TMS (Collect Vendors Only)
- A Standard Operating Procedure (SOP) document that references the steps for routing and provides screen shots of the TMS system (Collect Vendors Only)
- Document for creating new users in TMS

Section 7: Routing and Transportation



Collect Vendor Routing Portal Registration

Contact your company's corporate admin user for the routing portal to get set up in the Big Lots routing portal.

Creating a Routing Request – Collect Shipments

The routing information required by purchase order (PO) or shipment (if multiple shipments against a PO) is the following:

1. SKU Detail (quantity in eaches, gross weight in pounds - include pallet weight, volume in cubic feet, freight class)
2. FOB Point
3. Freight Ready Date
4. ASN Match # (required for vendors receiving POs via EDI - see page 17 for value description and guidelines)
5. Load Type (pallet, floor, slip) - **PLEASE SEE NOTE BELOW REGARDING LOAD TYPE FOR LTL SHIPMENTS**

For detailed instructions on how to route a collect purchase order, please go to the Big Lots Transportation Management System web page at <https://www.biglots.com/corporate/vendors/tms> . Invalid routings or routings with incorrect information may result in non-compliance penalties.

If after routing you find the information is incorrect, contact Big Lots Transportation at inboundlogistics@biglots.com or call 614-278-4618 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.**

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.

Effective 9/6/2021 all LTL shipments must be palletized. Generally shipments will be assigned to a LTL carrier if all three of the following are true:

- Under 10,000 lbs. gross weight
- Under 1,000 cube
- Under 10 pallets

We recognize there may be exceptions based on product type; any exceptions to this must be preapproved by Vendor Compliance (vendorcompliancemanager@biglots.com) prior to shipping.

Failure to comply with this requirement may result in a Freight Payment compliance deduction of \$250 per shipment.

Questions about routing POs in the TMS portal or carrier pickups should be directed to inboundlogistics@biglots.com .

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 to the transportation contact linked to the vendor location. 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. If you have required pick up numbers, please assign them to the carrier when they call for an appointment.

LTL carriers generally will pickup on the Pick Up Start date selected in the routing. LTL carriers typically pick up using a time window (ex: 1300-1700) versus a set time. LTL carriers will do their best to meet a set appointment time but cannot guarantee this will take place. Vendors need to be flexible with accommodating LTL pickups as a result.

Section 7: Routing and Transportation



Transportation Shipping Information

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 when the PO is routed in the TMS portal. 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 when the PO is routed in the TMS portal. Please contact the Big Lots Inbound Routing team at inboundlogistics@biglots.com to confirm routing instructions.

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, <https://www.biglots.com/corporate/vendors/routing-and-compliance> . AVDC agrees to perform annual on-site validation review for compliance with this requirement.

Transportation Exceptions

- **Collect** – If the Big Lots assigned carrier does not show or reschedules the pickup appointment, contact inboundlogistics@biglots.com or call 614-278-4618.
- **Prepaid** – If your carrier will not make their scheduled delivery appointment, contact Big Lots Transportation at tmsappointments@biglots.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 if you are able to combine shipments.

Section 7: Routing and Transportation



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 inaccurate information on routing request, loading detention, truck ordered not used, extra stop/stop off, lay over, lumpers, overweight charges, reconsignment, redelivery, reefer charges, scale charges, drop trailer, shipped with incorrect carrier, sort/segregate and pickups canceled after carrier has arrived. See p. 37 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. 37 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 36).

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 16-19 for EDI requirements).

Section 8: *Documentation 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. BOLs must have the final DC address listed. BOLs which do not list the final DC destination (i.e. blind shipping) are not permitted. Vendors who blind ship will be responsible for incremental freight charges due to shipping errors.

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 37).

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 3rd Party)
- Vendor name and complete ship from address
- Vendor's ID number
- Ship date
- Carrier name
- Purchase Order #
- RTS# (Collect POs only, if value is known) OR the DO # (from TMS system) OR the ASN Match # (vendor determined, if trading EDI)
- Appointment # (required for prepaid POs, if value is known)
- **Seal number attached to the trailer by the vendor**
- Accurate Freight Class, NMFC Class for LTL shipments (including sub item # if applicable), number of cartons and weight by item. Please note that it is the vendor's responsibility to update any changes to the Freight Class and/or NMFC information applicable to their products. Vendors will be responsible for all additional freight charges resulting from items that are misclassified or if the Freight Class and NMFC information is not listed on the BOL plus an administrative fee.

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:

**3rd Party Freight
Charges Bill to Address**



**Big Lots c/o Hub Logistics
2001 Hub Group Way
Oak Brook, IL 60523**

Any BOL for a Collect PO missing the 3rd party freight charges bill to information may result in a performance deduction (see Performance Deduction List on page 37).

Section 8: Documentation Requirements



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 11. 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 41 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

Section 9: Packaging and Labeling



C. Carton Conveyability Standards

- In order to efficiently handle merchandise through our distribution centers using conveyor equipment, cartons need to fall within the size and weight guidelines listed (see section 9E for Apple Valley, CA DC conveyability standards):
- Note:** these standards apply to both master and inner cartons.

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

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 Standards		
Dimensions	Minimum	Maximum
Length	9"	32"
Width	6.9"	24"
Height	3"	16"
Weight	2 lbs.	60 lbs.

Section 9: Packaging and Labeling



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 36).

Per GS1 guidelines, any product attribute change requires that a new UPC be created. Do not reuse UPCs if the product has changed in any way. Improper reuse of UPCs may result in a compliance cost to remedy penalty. Refer to the GS1 GTIN Guiding Principles document at <https://www.gs1.org/1/gtinrules/en/guiding-principles> for industry standard guidelines.

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.

Small Parcel Shipping: If shipping FedEx/UPS to our DCs or stores, each carton label must have the Big Lots PO# listed.

1. Labeling – Non-EDI Vendors

A) **Palletized Merchandise**

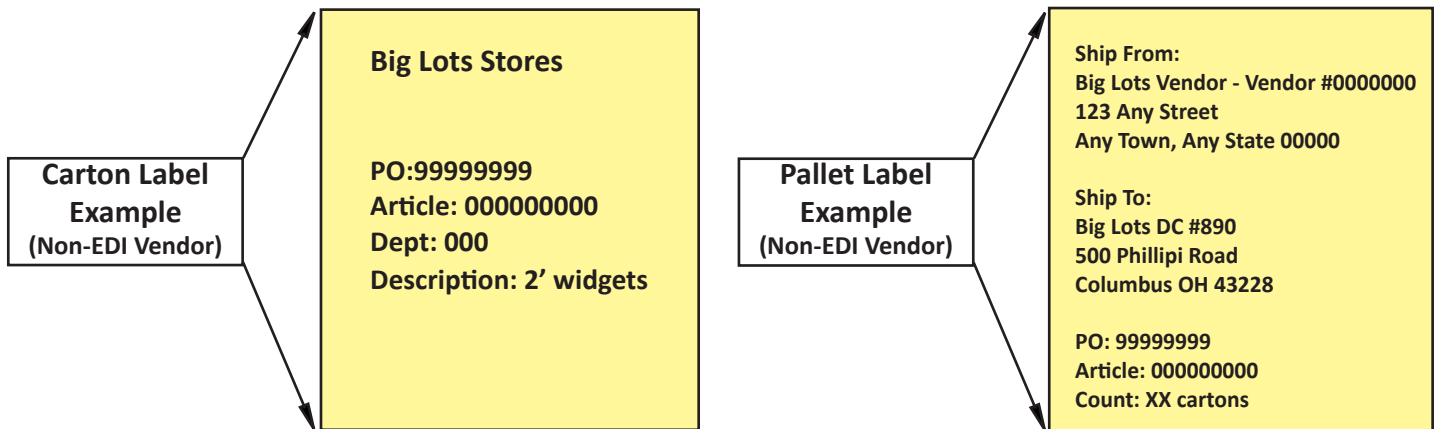
Label each pallet on two sides with the vendor number, vendor name, ship from and to address, purchase order number, article number and the carton count per article. The cartons on the pallet must have a description of the product printed on the carton (i.e. blank cartons are not allowed).

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.



2. Labeling – EDI Vendors

Note: EDI vendors should label their merchandise and pallets using the GS1-128 label format. See example on page 18. 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 9: Packaging and Labeling



G. Guidelines for Apparel Packaging and Labeling

The following general guidelines should be followed when shipping apparel merchandise to Big Lots. Questions about purchase orders, assortments, or product attributes (hangers, polybags, price tickets, etc.) should be directed to your buyer. All other questions should go through the Vendor Compliance Department at

vendorcompliancemanager@biglots.com.

Shipping to DCs for distribution to stores (retail):

- Clothing should be polybagged
- Clothing should be flat pack and folded (unless otherwise presented in a PDQ)
- SKU barcode is scannable
- Flat packed apparel in PDQ carton; Package in full size carton for non-PDQ merchandise



Shipping to DCs for E-Commerce channel:

- Clothing should be flat packed and folded
- All clothing must be individually polybagged
- Polybag needs to be taped
- Hangtag on garment has SKU barcode and is visible in the polybag
- SKU barcode is scannable for ecommerce
- Sticker on the outside of the polybag includes the SKU information and barcode
- "Industry Standard" warning labels for suffocation, etc.



UPC Tag Placement for Distribution to Stores (retail):

Big Lots follows the *GS1 Apparel and General Merchandise Guidelines for EAN/UPC Tag Format and Placement* document which can be found at: <https://www.gs1us.org/content/dam/gs1us/documents/industries-insights/by-industry/apparel-general-merchandise/guideline-toolkit/Guideline-for-Floor-Ready-Merchandise-Release-3.pdf>

The following general guidelines must also be followed:

Tops

- All hanging merchandise should be tagged at the bottom of the left sleeve unless doing so will cause product damage
- All flat packed merchandise should be tagged through the manufacturer's label or label care label at the neck

Bottoms

- All hanging merchandise should be tagged either on the left rear waistband seam or the left side waist seam
- All flat packed and folded merchandise should be tagged on the left rear waistband seam or the left side waist seam

Section 9: Packaging and Labeling



Headwear

- Ball caps: tag product through the outside back center seam or center of headband
- Knit hats: tag product through the outside top of the hat

Gloves / Mittens / Sandals

- Tag product through the band connecting the product

Carded Product

- Tag product through the band connecting the product

Specific UPC tag placement questions should be directed to your buyer.

Hanger Guidelines:

Big Lots follows the *GS1 Apparel and General Merchandise Guidelines for Hanger Specifications for Floor-Ready Merchandise* document which can be found at: <https://www.gs1us.org/content/dam/gs1us/documents/industries-insights/by-industry/apparel-general-merchandise/guideline-toolkit/Guideline-GS1-US-Voluntary-Guidelines-for-Hanger-Specifications-for-Floor-Ready-Merchandise-R70.pdf>

The following general guidelines must also be followed:

- Black hangers with a matte finish should be used except for toddler, infantwear, and intimate apparel
- Hangers must never be loose or seeded in cartons
- Hangers should be shatter resistant
- Hangers must be able to support weight of product
- Hangers must be able to withstand the rigors of transportation and handling from the supplier to placement in our stores
- Size indicators must be child resistant to prevent injury as per the Child Protective Safety Act
- Hanger material composition should be recyclable and identified by resin type

Section 10: Loading and 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.

Section 10: Loading and Shipping



Reminder: All Prepaid shipments to our DCs must be palletized unless otherwise authorized by the Vendor Compliance Department.

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

- Pallets must be made of wood and 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 10B 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.



Damage Free Shipping

Vendors are responsible for securing palletized and floor loaded shipments to keep them from shifting during transit.

Approved items to secure freight are as follows: load locks, air bags, dunnage and trailer straps (see photo above).

Please contact the Big Lots Vendor Compliance (see page 41) if you have any questions about pallet requirements.

Pallet Maximum Dimensions and Pallet Type Requirements

DC	DC #	Pallet length	Pallet width	Max pallet weight	Chep	Peco
Apple Valley, CA	869	48"	40"	2,500 lbs.	4000381206	70676
Columbus, OH	890	48"	40"	2,500 lbs.	6100401149	44911
Durant, OK	879	48"	40"	2,500 lbs.	4000065470	44907
Montgomery, AL	870	48"	40"	2,500 lbs.	6100616408	44910
Tremont, PA	874	48"	40"	2,500 lbs.	6130938763	44908

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 41) if you have any questions about pallet requirements.

Section 10: Loading and Shipping



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 10B 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 .

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.

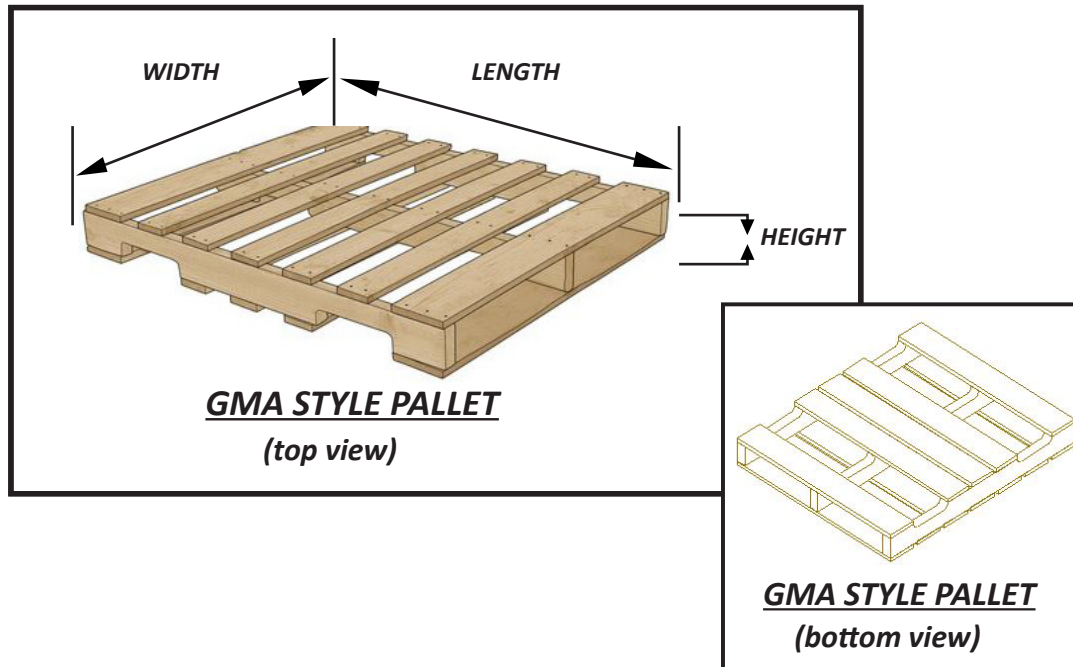


- All pallets will have bottom boards perpendicular to the stringers.
- Bottom Boards; 5/8" x 5.5" x 40" boards on each end and three (3) 5/8" x 3.5" x 40" boards evenly spaced between the cutouts (notches).
- No protruding nails or staples.
- No broken or missing boards.
- No splintered edges or surfaces.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

Section 10: Loading and Shipping



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



Fully Loaded Pallet		
Length	Width	Weight
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

Section 10: Loading and Shipping



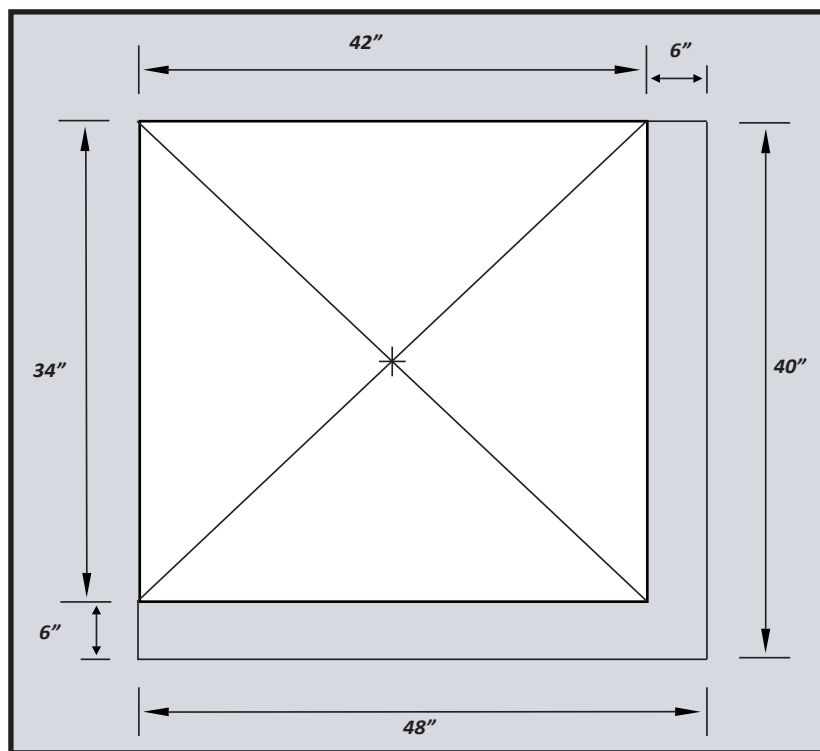
2. Slip Sheets, Tier Sheets, and Top Caps – Apple Valley, CA DC

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"

Allowable Off - Center Sheet Typical At Each Corner



- 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.

Section 10: Loading and Shipping



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.
- 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 36).



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.

EDI			
Non-Compliance Issues	Page #	Validation	Deduction Amount
ASN data does not match the receipt	17	ASN quantities, SKUs/items, and pack sizes must match the shipment quantities	\$100.00 per occurrence
ASN is Late, missing, or invalid	17	ASN must be received before the shipment arrives at the DC, and the ASN Match #s must match	\$100.00 per occurrence
ASN does not contain the required fields	17	ASN must contain certain critical fields otherwise the ASN cannot be used, resulting in a manual receipt	\$100.00 per occurrence

Receiving			
Non-Compliance Issues	Page #	Validation	Deduction Amount
Packing list missing	23	Packing list must be attached to the last pallet or carton loaded	\$100.00 per occurrence
Packing list quantity does not match with what was received	23	Packing list quantities must match the shipment quantities	\$100.00 per occurrence
Packing list pack size does not match with what was received	23	Packing list pack sizes must match the shipment pack sizes	\$100.00 per occurrence
Packing list items does not match with what was received	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	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	25 - 27	Carton must be properly sealed and labeled	\$2.00 per carton
Freight was not properly palletized	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	35	Floor-loaded merchandise must be in good condition, wrapped top to bottom, blocked and braced to prevent shifting, and SKUs segregated	\$25.00 per incremental hour
Fill Rate Violation	15	Eligible SKUs of POs must be filled at least 95% at time of fill rate calculation	5% of cost of goods not shipped (\$150 min per PO)

Ticketing			
Non-Compliance Issues	Page #	Validation	Deduction Amount
Pre-ticketing errors (assessed by Pre-Ticketing Department)	27	Vendor applied price tickets must be scannable, and scanned information must match the PO information	\$0.25 per ticket
UPC errors	27	UPC barcode does not scan, is missing, or does not match the product	\$100.00 per occurrence

Section 11: Performance Deduction List



Logistics / Transportation			
Non-Compliance Issues	Page #	Validation	Deduction Amount
PO was not routed / Appointed in Traffic Portal	19	All POs meeting the requirements to be routed, must be routed in the routing portal. All prepaid POs must have a delivery appointment scheduled through TMSAppointments@biglots.com	\$50.00 per shipment
PO was not routed on time	14, 20 -21	All shipments on a PO must be routed on or before the Must Be Routed By date on the PO	per shipment: 1-2 days late \$150 3+ days late \$250
PO was not shipped on time (Collect)	14	A Shipment must be made available to ship by the vendor on or before the Cancel if not Shipped by date on the PO	per shipment: 1-3 days late = \$250 4-7 days late = \$500 8+ days late = \$1,000
PO was not delivered on time (Prepaid)	14	A shipment must be delivered by the vendor during the week (Mon -Fri) of the Delivery Date on the PO	per shipment: 1-3 days late = \$250 4-7 days late = \$500 8+ days late = \$1,000
BOL does not contain the required fields	24	The vendor BOL must contain all required information	Cost to Remedy (\$50 minimum)
Accessorial charges incurred by Big Lots due to vendor negligence (assessed by the Freight Payment Dept.)	23	All charges for accessorial service performed at the vendor's ship point not previously agreed upon by buyer or the Big Lots transportation team	As charged to Big Lots by the carrier (\$50 minimum)

Deduction notices are sent automatically via e-mail from the Big Lots Vendor Compliance System to all vendor contacts listed as a Primary Contact. Contact the Vendor Compliance Department at vendorcompliancemanager@biglots.com to update your vendor contacts. The deduction e-mails originate from the e-mail no-reply@gxs.com or no-reply@opentext.com. Please make sure 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.

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 stated on the Vendor Compliance issued deduction notification e-mail. Disputes sent via e-mail will not be reviewed. Contact the Vendor Compliance Department at vendorcompliancemanager@biglots.com for information on completing this process. Any deduction not disputed by the vendor within **ninety (90) days** of the deduction date stated on the Vendor Compliance issued deduction notification e-mail 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.

Section 13: Accounts Payable



A. Invoicing Requirements

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

Invoicing



“Ship To” Location (ex. CSC Distribution, LLC)
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)

Section 13: Accounts Payable



Payment status of an invoice:

- Call 614-278-6858, follow prompts:
- Select option #1 - Merchandise
- Enter vendor number followed by #
- Enter invoice number followed by #
- Enter 1 if invoice number is correct
- Invoice Found: System will give the payment date or expected payment date
- Repeat information: Select #1
- Inquire on additional invoices: Select option # 4

Alpha Numeric Invoice Numbers

- Select "*" (asterisk) followed by the number key the letter appears on, followed by the position on the key
- Example : A = *21; Q=*72; Z=*94
- Example : INV = *436283
- Questions regarding invoice payment status should be directed to apvendorinquiries@biglots.com
- Tax exemption certificate or Tax ID# requests: Sean McCutcheon smccutch@biglots.com

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 last date of the goods being received into the Big Lots DC. However, the due date could be extended without loss of discount, until an invoice is fully received into the Big Lots DC.

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. Allowances

For all purchases of goods, we will deduct from each invoice related to those goods one percent (1%) as a standard damage allowance and half of a percent (0.5%) for our supply chain initiatives. The deductions shall be based on the first cost of goods sold for both domestic and import orders. This will apply to all suppliers who have not previously negotiated and executed an agreement with your buyer.

D. 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.

Section 14: Big Lots Contact List



Function	E-mail / Web Address	Contact	Phone
Vendor Compliance: palletizing questions, labeling questions, carton marking questions, Vendor Compliance deduction questions			
Routing and Compliance Information	https://www.biglots.com/corporate/vendors/routing-and-compliance		
Vendor Compliance Department E-mail	vendorcompliancemanager@biglots.com		
Vendor Compliance Manager	afabro@biglots.com	Anthony Fabro	614-278-3868
Vendor Compliance Senior Analyst	karensmith@biglots.com	Karen Smith	614-278-3393
Vendor Compliance Analyst	jbeckwi@biglots.com	Jeff Beckwith	614-278-3844
Vendor Compliance System Portal	https://visibility.inovis.com/dataquality/xclient/biglots		
Inbound Transportation: TMS routing portal access/issues, carrier pickup issues, Freight Payment deduction questions			
Transportation and Routing Portal Training Info	https://www.biglots.com/corporate/vendors/tms		
TMS Routing Portal (Manhattan)	https://mip.logistics.com/login.jsp		
Big Lots Transportation Team (Inbound)	inboundlogistics@biglots.com		614-278-4618
Prepaid Appointment Request	tmsappointments@biglots.com		
Inbound Transportation Team Manager	jdeblasi@biglots.com	Jen DeBlasis	614-278-3798
Transportation Procurement and Financial Planning Mgr.	jparker@biglots.com	Jameson Parker	614-278-3748
EDI Information: EDI setup, connectivity issues, mapping questions, technical questions			
EDI Specifications and Enablement Info	https://www.biglots.com/corporate/vendors/edi-enablement		
EDI Department	biglotsedidept@biglots.com		
Accounts Payable: invoicing questions, payment questions			
Accounts Payable Team E-mail	apvendorinquiries@biglots.com		614-278-6858
Submitting Invoices via E-mail	outsidevendorinvoices@biglots.com		
Accounts Payable Manager	jchristy@biglots.com	Jennifer Christy	614-278-6956
Pre-Ticketing: questions about ticketing merchandise, price ticket labels, price ticket verification			
Pre-Ticketing Guidelines	https://www.biglots.com/corporate/vendors/routing-and-compliance		
Pre-Ticketing Department (price ticket verification)	ticketing@biglots.com		
Additional Contacts			
Protection System. Mgr. (EAS/Security Tags)	acamps@biglots.com	Alecia Camps	614-278-6571
Certificates of Insurance	biglots@ebix.com or contact your buyer/merchant coordinator		
Big Lots – General Inquiries	http://www.biglots.com/help/contact-us		

Contact your buyer or planner for the following items:

Category	Questions	Key Contact
UPC	Product UPC 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 time frame	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	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 / need to re-forecast sales and demand	NVO Planner / Buyer

Big Lots Distribution Center List

Collect PO inbound inquiries: inboundlogistics@biglots.com

Prepaid PO scheduling/inquiries: tmsappointments@biglots.com



Location	Receiving Hours
Apple Valley DC - #0869 AVDC, Inc. 18880 Navajo Road Apple Valley, CA 92307	Live Loads: Mon-Fri 0600-2359 Drop Loads: 24/7
Montgomery DC - #0870 CSC Distribution LLC 2855 Selma Highway Montgomery, AL 36108	Live Loads: Mon-Fri 0730-2200 Drop Loads: 24/7
Tremont DC - #0874 Closeout Distribution Inc. 50 Rausch Creek Road Tremont, PA 17981	Live Loads: Mon-Fri 0600-1900 Drop Loads: 24/7
Durant DC - #0879 Durant DC, LLC 2306 Enterprise Drive Durant, OK 74701	Live Loads: Mon-Fri 0600-1000 / 2200-0200 Drop Loads: 24/7
Columbus DC - #0890 Big Lots Stores Inc 500 Phillipi Road Columbus, OH 43228	Live Loads: Mon-Fri 0600-1700 Drop Loads: 24/7
SOS / Fixtures Supplies Whse - #882 Big Lots F&S, Inc 550 Phillipi Rd Columbus, OH 43228	Appointment only