

ALERT: Nordstrom will begin issuing freight chargebacks for Canada suppliers beginning in July for June 12th shipments and forward. Impacted suppliers are those with Freight Partnership Contracts, Purchase Order terms and who are in violation of our routing requirements established in the [Canada Routing Guide](#). Please refer to section 2, page 8 for more information on freight guidelines.

Freight chargebacks will be deducted from our suppliers' weekly check remittance. Upon receipt of these deductions, if questions should arise suppliers are encouraged to each out to Nordstrom's 'Corporate Administrator' at AdminCANtraffic@nordstrom.com

Chargeback types are as follows:

- Nordstrom supplier partnership agreement where a contract was signed between Nordstrom and Supplier
- Purchase order freight terms written into the PO that the supplier is fulfilling with these shipments, a sharing of the freight costs
- Expense offset violation type chargeback, essentially a violation of the PO terms and conditions or failure to follow the Nordstrom Canada Routing Guide directions

A list of Freight Agreement Codes & Descriptions can be found on pages 73-74 in the Routing Guide for Canada accessible at the following link:

http://www.nordstromsuppliercanada.com/Content/Routing_Guide/Routing_Guide_master_Canada.pdf

The charges will be visible on payment remittances as in the following example:

Remittance Detail				
Document Number	Document Date	Document Amount	PO Number	Description
DMC1234567A01FH	June 1, 2017	-109.00	12345	FRT CHGBCK PO VIOLATION

In this example, the document number "DMC1234567A01FH" contains valuable information pertaining to the chargeback:

- "DMC" indicates a Debit Memo Cost, or deduction; "CMC" would indicate a Credit Memo Cost, or payment
- "1234567" is the unique document number assigned to the charge
- "A01" is the 3-digit freight chargeback code (other codes can be found on pages 73-74 in the Routing Guide and are shown in the chart below)
- "FH" is the AP reason code, which determines the document category and type (other codes are shown in the chart below)

Chargeback Reason Code	AP Reason Code	Handling Fee Y/N	Chargeback Reason	Chargeback Explanation
For Shippers with Freight Agreement				
A01	FH	N	PER AGREEMENT-CHARGEBACK FULL FREIGHT	A Freight Partnership Contract exists between Nordstrom and Supplier to allow 100% shipment freight costs to be the responsibility of the shipper.
A02	FH	N	PER AGREEMENT-CHARGEBACK HALF FREIGHT	A Freight Partnership Contract exists between Nordstrom and Supplier to allow 50% of shipment freight costs to be the responsibility of the shipper.
A03	FH	N	PER AGREEMENT-DIFFERENCE BETWEEN AIR & SURFACE	A Freight Partnership Contract exists between Nordstrom and Supplier to allow 30% (the net cost difference between air shipment and surface) of shipment freight costs to be the responsibility of the shipper.
For shippers without Freight Agreement				
FOB	FF	N	CHARGEBACK ADVANCE CHARGES BASED ON FOB POINT OF PO	As per the Purchase Order FOB point, the PU/XD charges only will be the responsibility of the shipper.
F01	FF	N	PER PO FREIGHT TERM-CHARGEBACK FULL FREIGHT	The Purchase Order 'freight term' is specified as 100% responsibility of the shipper to be charged back.
F02	FF	N	PER PO FREIGHT TERM-CHARGEBACK HALF FREIGHT	The Purchase Order 'freight term' is specified as 50% responsibility of the shipper to be charged back.
F03	FF	N	PER PO-DIFFERENCE BETWEEN AIR & SURFACE FREIGHT	The Purchase Order 'freight term' is specified as 30% responsibility of the shipper to be charged back.
M01	FC	Y	MERCHANDISE SHIPPED TO INCORRECT DISTRIBUTION CNTR	
P01	FE	Y	PO VIOLATION-PO STATES SURFACE-SHIPPED AIR	Purchase Order specified the shipment mode of Surface but the shipment moved Air.
P02	FE	Y	PO VIOLATION-PO STATES AIR-SHIPPED SURFACE	Purchase Order specified the shipment mode of Air but the shipment moved Surface.
P03	FE	Y	PO VIOLATION-MERCHANDISE SHIPPED PAST CANCEL DATE	The origin shipment date exceeded the Purchase Order 'Not After' date.
P04	FE	Y	PO VIOLATION-MERCHANDISE SHIPPED TOO SOON	The origin shipment date preceeded the Purchase Order 'Not Before' date.
P13	FG	Y	INVALID FRT CHARGES RELATED TO DDP SHIPMENT	Invalid freight costs have been paid related to a DDP freight type shipment.
R01	FC	Y	ROUTING VIOLATION-INCORRECT CARRIER USED	Shipper chose a carrier that is not specified in the Nordstrom routing guide for this origin to destination movement.
R03	FC	N	FREIGHT CHARGEBACK - MUST NOT USE DECLARED VALUE	Shipper chose to add declared value to a shipment without Nordstrom purchase order or routing guide authorization.
R10	FG	N	DETENTION CHARGES/VOLUME SHPMNTS EXCEEDS 2HR LIMIT	Shipper delayed the designated carrier from completing their pickup in a timely fashion, extra costs incurred to be charged back.
Z99	FG	Y	MISCELLANEOUS CHARGEBACK TO BE EXPLAINED	Generic Chargeback Code; Nordstrom CB writer will enter the actual reason for this chargeback code. Handling fee is optional.