



October 29, 2008

Dear Pep Boys Supplier,

We're pleased to announce that Pep Boys has selected FedEx as our preferred carrier for all inbound small packages up to 150 lbs. to our Pep Boys stores and distribution centers. The new agreement with FedEx will help improve the logistical flow and save both time and money.

All inbound Pep Boys shipments should now be shipped via either FedEx Ground® COLLECT or FedEx Express® Bill Recipient. Under this arrangement shipping charges will be invoiced directly to Pep Boys, while additional fees associated with your FedEx Ground packages, including weekly pickup fees where applicable, will be invoiced to you. Exception shipments via FedEx Express are available, with prior authorization from Pep Boys personnel.

You will need your own FedEx shipper account number for pickup and routing purposes when shipping via FedEx to our facilities. This account number will not be billed for regular transportation charges. If you don't have an account number, please call 1.800.GoFedEx 1.800.463.3339 to set one up.

Provide the following Pep Boys' information in the billing Reference field AND the Department field:

- Pep Boys' Purchase Order number in the billing Reference field AND
- Pep Boys' GL code in the Department field for all shipments.

(GL-CODE REQUIREMENT APPLICABLE TO PROPERTY MANAGEMENT VENDORS ONLY)

This is a required entry, and failure to enter the PO # in the Reference field & GL code in the Department field (if applicable) will result in a charge-back of the transportation charges.

Schedule your package pickup online at fedex.com or by calling 1.800.GoFedEx 1.800.463.3339.

- o **FedEx Ground:** If you do not have a regular FedEx Ground pickup, the FedEx Ground pickup needs to be scheduled one day in advance.
- FedEx Express: Authorized FedEx Express shipments can be scheduled same day.

Avoid pickup fees by dropping off at a FedEx drop-off location. Find the nearest location by calling 1.800.GoFedEx 1.800.463.3339 or by accessing **fedex.com**.

A FedEx representative will be contacting your shipping department within the next few weeks to review this program and any questions you may have to begin utilizing FedEx services. Need support sooner? **The FedEx Activation Desk at 1.866.883.9290** is available to answer your transition questions. This resource can provide you with necessary details and instruction, as well as connect you to an information technology specialist for additional assistance. You can also call **1.800.GoFedEx 1.800.463.3339** at anytime.

These instructions supersede all previous small package shipping instructions, and must be followed in order for us to pay the shipping charges. Any deviation from these instructions will result in shipping costs that will be billed back to the vendor.

To reiterate, if you have any questions on using FedEx services as a supplier, please call the FedEx Activation Desk at 1.866.883.9290, and identify yourself as a Pep Boys supplier. If you have any questions regarding this change or specific Pep Boys orders, please contact Andrea Daughtry at andrea\_daughtry@pepboys.com.

Thank you for your support and for making the transition to FedEx a smooth one.

Andrea Daughtry

Transportation Administrator

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Pep Boys