



National Wholesale Liquidators, Inc.
111 Hempstead Turnpike
West Hempstead, NY 11552

May 6, 2003

Dear Supplier:

National Wholesale Liquidators (NWL) is in the midst of an aggressive supplier initiative aimed at reducing costs across the entire supply chain. NWL's focus in this initiative is working together with our suppliers to identify and implement productivity improvements that will translate into lower overall costs.

One of the primary ways in which we have contributed to our cost reduction goals is through the use of Electronic Data Interchange (EDI.). This provides mutual benefits by improving information accuracy, shortening cycle time and reducing the administrative effort and costs associated with a standard paper process. We are committed to integrating EDI into the way we conduct our business and we look forward to expanding our program with equally committed suppliers.

Your company has been specifically identified as a principle supplier to NWL and is strongly encouraged to implement EDI as soon as possible. Due to the costs savings involved with EDI, NWL encourages all new suppliers to implement EDI before pursuing a relationship with NWL.

NWL views EDI as a requirement of its suppliers no later than July 1st. As such, your ability in this area will be a critical factor in our decisions regarding suppliers of the future.

NWL has made special arrangements with one of the leading EDI service firms, Inovis Inc, to facilitate your EDI capability. Inovis is providing expert EDI resources as well as preferential pricing for EDI management software and network services. NWL does not require you to use Inovis, however, as a recommended solution we feel it is a package that you should consider. A representative from Inovis will be contacting you shortly to explain the options for implementing EDI with NWL. Thank you in advance for your cooperation in this project.

Sincerely,

Andy Persich
Project Manager