

ROBERT WALLSTROM SENIOR VICE PRESIDENT & GENERAL MANAGER NEW YORK STORE

May 26, 2004

Tina Novellino Yves St. Laurent Counter - Cosmetics 1st Floor

Dear Tina:

I recently received a letter from one of your long time customers, Ms. Kathleen Perry. She was kind enough to take the time to commend and acknowledge you for the exceptional and fine service that you always provide to her. Your eagerness and passion and most of all your professionalism impressed her so much that she wants to return to you for her purchases at YSL. I would like to thank you for your hard work with this customer. The care you exhibited in assisting Ms. Perry is highly commendable and you deserve my sincerest gratitude.

Tina, you have truly displayed the core values of Saks Fifth Avenue in your work with this customer. We appreciate your hard work and dedication in reinforcing our service standards to be the MOST inviting luxury shopping experience in the WORLD.

A copy of this letter will be placed in your personnel file.

Sincerely

Robert Wallstrom

Cc: Human Resources

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