

## Compliance Program Chargeback Rates 2025

RATE CODE	DETAILED DESCRIPTION	RATE FREQUENCY
<b>ECM.VC01</b> (Shipped on time)	Monthly On Time Fulfillment rate lower than 98%	10% of late shipments per month up to \$100 per shipment
<b>Suppliers Daily operational order management:</b>		
<b>ECM.VC02</b> (Estimated Ship Date not met/extended too far)	Orders not shipped within approved lead time and Ship date not extended. If approved, a delayed shipment's expected ship date must be updated <u>prior</u> to expiration of the original ship date Expected ship date compliance fee will be assessed if: 1) An order ESD is extended more than one time 2) Order's updated ESD is further than your original lead time (ex. lead days 2, you can only extend 2 more days) <i>* Items are subject to removal from ShopmyExchange.com</i>	\$5 per occurrence (Daily)
<b>ECM.VC03</b> (Order Cancellations/ Inventory not updated daily)	Inventory updates are required daily (unless otherwise negotiated). Failure to provide updated and accurate inventory can result in order cancellation(s) and customer frustrations. <i>*Items w/ inventory issues are subject to removal from ShopmyExchange.com.</i>	5% up to \$50 max per inventory item not updated (Weekly)
<b>ECM.VC04</b> (Late Invoicing)	All shipped orders not invoiced within 1 day of shipment (up to 30 days for technically limited suppliers). ❖ <i>Invoicing that has been manually processed from the Drop Ship tech will result in non-compliant charge</i>	2% up to \$25 per occurrence (Weekly)
<b>ECM.VC05</b> (Returns, Refusals, Undeliverable packages not processed)	Returns, refusals, undeliverable packages not processed within 2 business days unless otherwise negotiated. • Radial - Failure to update items as returned within 2 business days • DSCO - Failure to initiate return in DSCO upon receipt or failure to process return requests within 2 business days of receipt <i>*Rejected returns require details as to why return is rejected, and items must be shipped back to customer.</i>	\$5 per occurrence (Weekly)
<b>ECM.VC06</b> (Shipment Accuracy)	Failure to comply with Shipment Accuracy Standards: 1) Failure to process shipment details the same day as shipment	10% per occurrence up to \$100 Monthly Review / Daily

failures)	2) Incorrect/invalid tracking 3) Missing or incorrect data on shipping label 4) Invalid or unauthorized ship method 5) Processing shipment details when package has not shipped (i.e. label created only) 6) Unauthorized use of assigned shipping accounts 7) Incorrect item shipped	reporting
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**Note: Subject to change at any time without notice (updated 13 Mar 2025)**

\*For claim disputes or questions regarding the compliance program, please email [DSVendorCompliance@aafes.com](mailto:DSVendorCompliance@aafes.com). For claim disputes please include the claim number and all supporting documentation as to why the claim is being disputed. Compliance claims must be disputed within 60 days of receipt.\*