

Supplier Requirements

Agreement 03-01

July 2022

OPR: MD



EXCHANGE
ARMY & AIR FORCE EXCHANGE SERVICE

Supplier Requirements

Table of Contents

	Page
1 Introduction	1
2 Corporate Policy	1
Terms and Conditions	2
Social Responsibility and Labor Standards	3
Supplier Personnel and Representatives	4
Supplier-Owned Equipment/Fixtures	5
Alcoholic Beverages and Tobacco Products	5
Inspection/Quality Assurance (QA)	6
Specifications/Purchase Descriptions	8
Recalled Merchandise Return Policy	8
3 Technology	8
Universal Product Code (UPC) or European Article Number (EAN) Requirements	9
Electronic Data Interchange (EDI) Requirements	11
Supplier Use of Exchange Computer Systems	15
4 Marketing	16
Advertisements	16
Product Demonstrations, Testers & Consumer Samples	16
Product Samples	16
Logo/Artwork/Proof	16
5 Floor Ready	17
Ticketing, Pricing and Garment Labels	17
Hangers	19
Sizing	19
Presentation Standards	19
Wrinkle Prevention	20
6 Logistics	20
General Instructions	20
Shipping to CONUS/Overseas Locations	21
Marking	22
Exchange Standard Shipping Label Guidelines	23
Loading/Unloading	24
Pallet Pick Program	25
Hazardous Articles	25
Documentation	25
Movement Information	26
Shipping to Overseas Locations	27
Special Programs (Crossdock/Vendor Managed Inventory)	27
Air Shipments	28
Imports – Shipping from Overseas Location	28
Fashion Distribution Facility (FDF)	31
7 Replenishment	33
Inventory Adjustments	33
Service Level Agreement	33
Stock Structure/Authorized Ordering Activities	34
8 Tax Exemption Certificate	35

	Page
9 Duty Drawback	35
For Contractors Agreeing to Immediate Reductions	35
Duty Drawback	35
10 Invoicing and Payment	36
Invoicing Procedure	36
Improper Invoices	37
Payment Process	37
Payment by Electronic Funds Transfer	39
Proof of Shipment	40
11 Fine Jewelry	40
12 Food and Beverage	41
General	41
Shipping and Marking	43
Additional Requirements	43
13 eCommerce – Virtual Vendors	43
Delivery Orders	43
Shipping/Packing Instructions	43
Invoicing	44
Returns	44
Notification of Regulations Change	44
Special Instructions	45
Warranty of Availability	45
Vendor Shipments to Exchange Warehouses	45
VendorNet for Drop Ship Vendors	45
Virtual Vendor Customer Privacy Policy	45
14 Retail Merchandise	47
General	47
Equipment and Automotive	49
15 Store Shipping Schedule	49
16 Uniforms and Insignia	50
17 European Addendum to Supplier Requirements	50
Clause Additions for Accompanying Exchange Purchase Order	50
Clause Eliminations for A095211, Exchange Retail Purchase Order Terms and Conditions and Accompanying Exchange Purchase Order	51
Replacements for A095069, Supplier Requirements	51
Additions for A095069, Supplier Requirements	59

Figure

- 1 Policy of Social Responsibility and Labor**
- 2 Sample Carton Markings**
- 3 W-9 Form, Request for Taxpayer Identification Number and Certification**

Appendix

1 Retail Department Numbers Ticketing Requirements	A1-1
2 Exchange Hanger Requirements	A2-1
3 Contact Information	A3-1
4 Glossary of Acronyms	A4-1

Exchange Supplier Requirements

SECTION 1. INTRODUCTION

1. The following terms and conditions within the Exchange Supplier Standards are applicable to the business relationship between you (the Supplier) and the Exchange. “Suppliers” as used in the Exchange Supplier Requirements shall include all agents, vendors, manufacturers, factories, contractors and sub-Suppliers. (As a Supplier) supplying retail merchandise to the Exchange, you are required to abide by the terms of this Agreement as a condition of doing business with the Exchange.

2. The Exchange Supplier Requirements is a guide governing all Exchange retail merchandise procurement and related activities to doing business with the Exchange. Review the Supplier Requirements carefully, as they provide essential rules of compliance that must be adhered to, to help bring your merchandise to our customers, including Exchange policies, transactional requirements, purchase order (PO) documentation (including [Exchange Retail Purchase Order Terms and Conditions](#)), documentation criteria and other product-related information Each supplier is urged to review the Exchange Supplier Requirements and identify all business related/relevant materials. Ensure that the appropriate personnel within in your organization are familiar with the portions of the Supplier Requirements applicable to their duties.

3. The Exchange Supplier Requirements and [Exchange Retail Purchase Order Terms and Conditions](#) have been provided to make the Exchange requirements clear and provide the supplier community with the information needed to accomplish mutual success, while putting the customer first and maintaining our standards. The Exchange reserves the right to assess charges incurred for non-compliance which include administration fees and costs and expenses. Non-compliance with these Supplier Requirements constitutes consent to the Exchange assessing charges and offsetting such charges that otherwise would have been payable to the vendor.

NOTE: The information in this manual is updated periodically and can change without notice. Printing any section of this manual is not recommended, always refer to the current online version of the manual.

SECTION 2. CORPORATE POLICY

1. Exchange orders/contracts may, under specific conditions, be complex in nature, containing detailed specifications and performance standards or they may be established on documents such as POs. The Exchange contracting office or buyer will determine the type of order/contract and the purchasing procedure to be used. The Federal Acquisition Regulation (FAR) does not apply to Exchange procurements. Exchange contracts may also vary based on whether the order/contract supports the Exchange or traditional Morale, Welfare and Recreation (MWR) activities. An important distinction is that different Disputes Clauses apply to Exchange orders/contracts. An order/contract is not effective until:

- a. An Exchange buyer decides to purchase merchandise from a firm.
- b. The supplier and the buyer negotiate all “Vendor-specific terms” such as accepted items, prices and Freight-on-Board (FOB) terms as described in [Section 6H, Documentation, paragraph 2](#).
- c. The Exchange issues an order to the supplier reflecting the negotiated terms.

- d. The supplier accepts or begins performance (i.e., fill the first order).
2. Initial Vendor-specific terms and any changes thereafter will be entered into Exchange systems. Changes will be effective on the date of the next order issued with the updated terms. Retroactive price increases will not be recognized or accepted. Failure to comply with the negotiated agreement will result in a non-compliance charge, (see [Section on 6M, Imports – Shipping from Overseas Locations, paragraph 8](#)).

SECTION 2A TERMS AND CONDITIONS

1. Per the terms of the order/contract, all Vendors must comply with the current [Exchange Retail Purchase Order Terms and Conditions](#) Publication, located at <http://www.aafes.com/images/doingbusiness/termsconretail.pdf>, which is in effect on the date the order or contract is issued.
2. The current [Exchange Retail Purchase Order Terms and Conditions](#) include the following contract clauses:

- Purchase Order Offer and Acceptance
- Orders
- Legal Status
- Authority to Bind
- Examination of Records
- Procurement Integrity
- Advertisements
- Indemnify and Hold Harmless
- Assignment
- Termination by Notice
- Disputes
- Equal Employment Opportunity
- Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era
- Affirmative Action for Individuals with Disabilities
- Convict Labor
- Taxes
- Robinson-Patman
- Trademarks
- Mailing Lists
- Environmental Protection
- Warranty
- Prices
- Returns
- Supplier Liability
- Surveillance
- Withholding
- Non-waiver of Defaults
- Defaults
- Restrictions on Purchases of Foreign Goods
- Automated Data Processing Virus
- Exchange/Vendor Partnership Marketing Program
- Conformance with Applicable Laws and Regulations
- Choice of Law and Forum
- Privacy Act
- Vendor Compliance Program

Supplier Requirements

- Green Clause
- Combating Trafficking in Persons
- Personal Identity Verification of Supplier Personnel
- Consumer Product Safety Improvement Act (CPSIA) Federal Requirements for Direct Import Suppliers
- CPSIA/Federal Requirements for Other Suppliers
- Notification of Debarment/Suspension Status
- Exchange Private Label
- Exchange Sell Price
- Logistical Support
- Oral Representations
- Changes
- Item Substitution and Variation in Quantity
- Permits and Licenses
- Non-Exclusive Contract
- Drug-Free Work Place
- Invoicing

SECTION 2B SOCIAL RESPONSIBILITY AND LABOR STANDARDS

1. The Exchange has a rich, proud heritage of serving the men and women of the uniformed services and their families. Our global mission makes us citizens of worldwide communities and is rooted in the tenets of integrity, accountability and compassion, which are embodied in our core values. Seeking to do business with Suppliers, Vendors, and Partners who share enduring values and consistently hold themselves and their agents to the criteria found in [Figure 1, Policy of Social Responsibility and Labor Standards for Private Label and Directly Imported Merchandise](#).

a. Policy Standards:

(1) **Child Labor** – Suppliers and/or sub-Suppliers shall not employ any person under the age of 14 years, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age will apply.

(2) **Forced Labor** – Suppliers and/or sub-Suppliers shall not use forced or other compulsory labor in the manufacture of products. Suppliers and/or sub-Suppliers shall not require employees to lodge “deposits” or identity papers upon commencing employment with the company.

(3) **Working Hours** – Suppliers and/or sub-Suppliers shall comply with applicable local laws on maximum daily/weekly working hours.

(4) **Compensation and Benefits** – Suppliers and/or sub-Suppliers shall ensure that wages paid for a standard workweek are consistent with local/national laws.

(5) **Disciplinary Practice** – Suppliers and/or sub-Suppliers shall not engage in or support the use of corporal punishment, mental or physical coercion, verbal abuse or withholding passports or travel documents.

(6) **Freedom of Association and Right to Collective Bargaining** – Suppliers and/or sub-Suppliers shall respect the right of all employees to form and join trade unions of their choice, consistent with prevailing local/national law, and to bargain collectively, without any activity that impedes or suppresses freedom of association. Suppliers and/or sub-Suppliers shall ensure that representatives of such employees are not subject to discrimination and that such representatives have access to their members in the workplace.

(7) **Discrimination** – Suppliers and/or sub-Suppliers shall be consistent with local laws regarding discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, maternity status, union membership or political affiliation.

(8) **Safe and Healthy Workplace** – Suppliers and/or sub-Suppliers shall provide their employees with a safe and healthy workplace in compliance with all local laws.

b. A copy of these standards, translated in the language(s) of the workers, shall be posted in an accessible central location, visible to all employees, at all production facilities that manufacture goods and merchandise for the Exchange/Navy Exchange Service Command (NEXCOM)/Marine Corps Exchange (MCX). Suppliers and/or sub-Suppliers shall also verbally explain each of the elements of the policy to all employees/workers. Any person having knowledge of any violation of these standards is encouraged to contact:

Army & Air Force Exchange Service (Exchange) Chief, Quality Assurance 3911 S. Walton Walker Blvd. Dallas, TX 75236 U.S.A. Email: QAmanagement@aafes.com	Navy Exchange Service Command (NEXCOM) Chief Merchandising Officer 3280 Virginia Beach Blvd. Virginia Beach, VA 23452 U.S.A.
---	---

Services Division (MR)
Head, Merchandising Branch
3044 Catlin Avenue
Quantico, VA 22134 U.S.A.
Semper Fit and Exchange

c. To ensure full compliance with (Figure 1) Policy of Social Responsibility and Labor Standards, the Exchange/NEXCOM/MCX (or a third party designated by the Exchange/NEXCOM/MCX) shall assert its right to conduct announced or unannounced inspections of suppliers' and/or sub-Suppliers' production facilities.

d. If the item contains precious metals, gemstones, diamonds or pearls, the Supplier will confirm to the Contracting Officer and affix a label to the package that states:

“The jewelry (precious metals, gemstones, diamonds or pearls) herein has been purchased from legitimate sources not involved in funding conflict and is in compliance with United Nations Resolutions. The seller hereby guarantees that all merchandise is conflict-free and mined in an environmentally responsible manner, based on personal knowledge and/or written guarantees provided by the supplier of these products.”

SECTION 2C SUPPLIER PERSONNEL AND REPRESENTATIVES

1. The Supplier will discontinue using any individual in Exchange facilities upon the Contracting Officer's written notice that the individual is not acceptable for performance under this contract. The Supplier will not use any such person to perform other Exchange contracts without prior written consent of the Contracting Officer.

2. The Supplier will not employ any individual to work in Exchange facilities that an Exchange Contracting Officer has determined unacceptable under any other Exchange contract without prior written consent of the Contracting Officer.

3. Supplier personnel will abide by applicable regulations and directives, and conduct themselves so as not to reflect discredit on the Exchange.

4. The Supplier will not represent himself/herself to be an agent or representative of the Exchange, another instrumentality or an agency of the United States (U.S.).

SECTION 2D SUPPLIER-OWNED EQUIPMENT/FIXTURES

1. Supplier equipment/fixtures provided for performance of the contract are subject to approval by the Contracting Officer. The equipment/fixtures will be in like-new condition and maintained in good, working order by the Supplier. Title to all Supplier-furnished equipment/fixtures will remain with the Supplier. Any required investment is a business risk for which the Exchange assumes no liability.

2. All charges incident to shipping, furnishing, installing or removing Supplier-owned equipment/fixtures will be at the Supplier's expense. If destined for an overseas facility, the Exchange will provide transportation support from the port of embarkation. No equipment/fixtures will be removed without Contracting Officer approval.

3. The Exchange will have the first option and right to purchase any or all of the Supplier-furnished equipment/fixtures used in performing the contract. If the Exchange exercises this option, the value of the equipment/fixtures will be determined by a five-year, straight-line depreciation rate from the date of original purchase and purchase price or one dollar (\$1.00), whichever is higher. If the Exchange does not exercise this option, the Supplier will remove the equipment/fixtures or provide disposition instructions to the Contracting Officer. The instructions must be provided within 15 days of contract expiration.

a. Sales Racks - Unless otherwise provided, any equipment, racks, sales fixtures or other display devices delivered to the Exchange for use in conjunction with the Supplier's products become Exchange property upon delivery, at no additional charge.

b. Seasonal Decorations - The Supplier warrants that all seasonal decorations furnished are flame-retardant or noncombustible according to National Fire Protection Association definitions.

SECTION 2E ALCOHOLIC BEVERAGES AND TOBACCO PRODUCTS

1. All alcoholic beverage and tobacco product sales and shipping must comply with all federal, state and local laws applicable to the shipping and recipient physical locations, including but not limited to: licensing as applies to manufacturer, shipper, carrier and recipient, packaging and labeling requirements, shipping and receiving age restrictions, and carrier Hazardous Material (HAZMAT) requirements/limitations.

2. The shipper must use Delivery Confirmation Adult Signature Required service for each package containing alcoholic beverages or tobacco products and affix the appropriate carrier label requesting an "adult signature upon delivery".

3. ALCOHOLIC BEVERAGE HEALTH WARNING STATEMENT:

a. All containers of alcoholic beverages supplied under this contract will include the following health warning statement on the product label:

GOVERNMENT WARNING: *According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems.*

b. An alcoholic beverage includes any beverage in liquid form that contains not less than one-half of one percent (0.5%) of alcohol by volume and is intended for human consumption.

Supplier Requirements

c. A container is defined as the innermost sealed container, irrespective of the material from which it is made, in which the bottler places an alcoholic beverage and in which such beverage is offered for sale.

d. All labels will be designed in a manner to make the health warning statement readily legible under ordinary conditions. The statement will be on a contrasting background with the words, **GOVERNMENT WARNING**, capitalized and in bold type.

e. **Size:**

(1) For containers of 237 milliliters (ml) (8 fluid ounces [fl oz]) or less, the statement will be in script type or printing no smaller than 1 millimeter (mm) with a maximum of 40 characters per inch (2.54 centimeters [cm]).

(2) For containers between 237 ml (8 fl oz) and 3 liters (101 fl oz), the statement will be in script type or printing no smaller than 2 mm with a maximum of 25 characters per inch (2.54 cm).

(3) For containers larger than 3 liters (101 fl oz), the statement will be in script type or printing no smaller than 3 mm with a maximum of 12 characters per inch (2.54 cm).

f. The labels will be affixed to the containers so they cannot be removed without a thorough application of water or other solvents.

SECTION 2F INSPECTION/QUALITY ASSURANCE (QA)

1. The Supplier will maintain an in-process and end-item quality control program to ensure Exchange shipments do not include defective/non-conforming items. The Exchange reserves the right to review and evaluate the program. Review and evaluation may include in-process inspections and initial pilot lot inspections, as deemed appropriate, at the Supplier's or Sub-Supplier's facility. See <http://www.aafes.com/about-exchange/doing-business/quality-assurance/> for additional information.

2. Where applicable, U.S. made items furnished under this contract is manufactured in accordance with Underwriters Laboratories, Inc. standards or the equivalent. If manufactured overseas, items furnished must meet the Underwriters Laboratories (UL) standards, or equivalent, or more stringent overseas standards. The applicable items or component items, regardless of where manufactured, must carry the appropriate U.L. or equivalent seal or listing mark.

3. Items furnished under this contract are subject to inspection and test at all reasonable times, to include verification inspections, and at all reasonable places including, but not limited to, the manufacturing or assembly plant, shipping point, depot and the using or selling activity. The Exchange may, at its option, inspect in accordance with any commercial or military inspection procedure and determine the acceptable quality levels used during the inspection. Headquarters, Quality Assurance (HQ) (QA) sampling plans can be accessed at <http://www.aafes.com/about-exchange/doing-business/quality-assurance/inspection/>, or obtained by calling QA at (214) 312-3411 or writing:

Director, Quality Assurance
Army and Air Force Exchange Service
3911 S. Walton Walker Blvd.
Dallas, TX 75236 U.S.A.
E-mail: QAManagement@aafes.com

Associated handling and freight costs incurred by the Exchange will be charged back to the Supplier for all rejected lots/shipments.

Supplier Requirements

4. If items purchased are defective/nonconforming, the Contracting Officer may take any of the following actions:

a. Prior to acceptance, the Contracting Officer may:

(1) Reject items and return them to the Supplier, charging the Supplier for all associated handling and freight costs.

(2) Reject items and require the Supplier to repair or replace them in a reasonable specified time.

(3) Accept the items at an equitable adjustment in price determined by the Contracting Officer.

b. After acceptance, the Contracting Officer may revoke acceptance and reject the items/lots and return them to the contractor.

5. If lots furnished are defective/nonconforming, the Contracting Officer may take any of the following actions:

a. Prior to acceptance, the Contracting Officer may:

(1) Reject and return the lot to the Supplier, charging the Supplier for all associated handling and freight costs;

(2) In lieu of rejection, screen (100% inspect) the items. Items meeting contract requirements will be accepted; defective/nonconforming items will be repaired by the Supplier;

(3) Reject the lot and require the Supplier to screen all items and repair or replace defective/nonconforming items in a reasonable specified time;

(4) Accept the lot and have the items repaired for the Supplier's account; or

(5) Accept the lot at an equitable adjustment in price.

b. After acceptance, the Contracting Officer may:

(1) Revoke acceptance for any reasonable lot (group of items available for inspection) and reject items and return items to the Supplier; or

(2) Revoke acceptance of items and reject the items and return having the items repaired by the Supplier for rejected items.

6. If items/lots are shipped/delivered late, the Contracting Officer may:

a. Reject the items/lots and return them to the Supplier, charging the Supplier for all associated handling and freight costs; or

b. Accept the items/lots at an equitable adjustment in price.

c. If it is necessary to cover in part or totally because of late shipment/delivery, the Contracting Officer may include costs of cover in determining the equitable adjustment even though the contract has not been terminated.

Supplier Requirements

7. Exercise of any of the options in [Section 2F, Inspection/Quality Assurance](#), will not preclude action under other clauses of the contract (e.g., Defaults, Returns, etc.) or in accordance with general provisions of law.
8. Invoices, for due dating and prompt payment discount qualifying purposes, will be considered received on the date inspection is completed.

SECTION 2G SPECIFICATIONS/PURCHASE DESCRIPTIONS

1. The Supplier will provide the brand name products listed in this contract, which are the Supplier's regular commercial products.
2. The specifications/purchase descriptions in this contract represent the minimum quality standards of items to be furnished.
3. Item(s) furnished must comply with all requirements of this contract and equal or exceed the quality of the sample(s) reviewed by the Contracting Officer and/or purchased by the Exchange.
4. The Supplier will provide the brand name products listed in this contract, which is the Supplier's existing regular commercial products. Items furnished must comply with all requirements of this contract and equal or exceed the quality of the samples submitted to the Contracting Officer; such samples may be used as a basis for ensuring that items subsequently furnished are as called for by this contract. Additionally, product descriptions and specifications contained in the Supplier's catalog trade offerings will apply to items furnished; to the extent they do not reduce the quality of the Supplier-furnished samples.

SECTION 2H RECALLED MERCHANDISE RETURN POLICY

The Exchange charges vendors of recalled merchandise, whether it is to be returned or destroyed, a recall handling fee (not to exceed \$15,000) that is 10% of the total cost of affected inventory. The Exchange will charge \$175 if the handling fee based on 10% of inventory cost is less than \$175. If vendors request products to be returned, they will be charged for the cost of merchandise and return freight and the handling fee. If products are to be destroyed in the Exchange facilities, vendors will be charged for the cost of merchandise and the handling fee. If these products involve hazardous materials, vendors will also be charged for the actual disposal cost billed by the hazardous materials' handling office on the installation. The costs mentioned in this section are not covered by the usual defective/returned merchandise allowance agreements.

SECTION 3. TECHNOLOGY

1. The Exchange is committed to streamlining and maximizing the use of our technology investments. The Exchange refers to industry standards to ensure that we provide the best possible service to our customers and most efficient trade with our business partners. We expect that our Vendors maintain comparable sufficient technological capabilities.
2. The following resources may be of assistance:
 - GS1 US at <http://www.gs1us.org>
 - National Retail Federation (NRF) at <http://www.nrf.com>
 - Retail Value Chain Federation (RVCF) at <http://www.rvcf.com>
 - Dun & Bradstreet (D&B) at <http://www.dnb.com>

SECTION 3A UNIVERSAL PRODUCT CODE (UPC) or EUROPEAN ARTICLE NUMBER (EAN) REQUIREMENTS

1. All merchandise must have a UPC or EAN on the merchandise.

a. The UPC is a 12-digit code identifying the consumer's package. The barcode includes the General Standards One (GS1) -128 Company Number (a six-digit, globally unique number assigned by the GS1 US to the manufacturer of the product) followed by a five-digit item reference number. The last digit is a check digit for the entire identification number (the number is calculated from the values of the other digits to perform a mathematical check for the accuracy of the encoded message).

b. The EAN is a 13-digit code identifying the consumer's package. The barcode consists of a GS1-128 Company Number (seven digits) formed by combining a GS1-128 Numbering Organization Prefix (two digits) with a number (five digits) that uniquely identifies a GS1-128 member company. The Item Number (next five digits) is typically assigned by the supplier to their products (serves as a key to the supplier to retrieve information associated with it). The last digit is a check digit for the entire identification number (the number is calculated from the values of the other digits to perform a mathematical check for the accuracy of the encoded message).

2. Exchange Brand Merchandise/NON-GS1 US (formerly Uniform Code Council) - UPCs and/or EANs are required on all items as follows:

a. **Exchange Brand Merchandise** – The Exchange will assign a UPC to each item.

b. **Non-Exchange Brand Merchandise** – If the supplier does not belong to the GS1 US (formerly Uniform Code Council), then the Exchange will assist the Contractor in obtaining a UPC upon request.

3. The cost of GS1 US codes is the responsibility of the Contractor.

4. The Contractor will be liable for costs incurred by the Exchange because of merchandise received with erroneous, misapplied or no barcode markings.

5. Refer questions concerning GS1 US markings to the Contracting Officer.

6. The GS1 US is the central code management agency. They will assign the manufacturer identification numbers according to GS1 US rules, but will not assign the item numbers. They do not maintain a listing of the five-digit item code assignments made by each manufacturer. Each manufacturer will assign, control and record its own five-digit item codes with the UPC configuration. Companies interested in obtaining their globally unique GS1 US Number should apply directly to the GS1 US.

GS1 US
Princeton Pike Corporate Center
1009 Lenox Drive, Suite 202
New Jersey 08648 Lawrenceville
Phone: (609) 620-0200
Website Address: <http://www.gs1us.org/>

7. Foreign suppliers may contact the GS1 for barcode guidance.

GS1
Rue Royale 76 B-1
1000 Brussels, Belgium

Supplier Requirements

Phone: (322) 299-1880
Website Address: <http://www.gs1us.org/>

8. GS1-128 will provide barcode location guidelines. The guidelines define the recommended areas to place the barcode on consumer packages. The purpose is to simplify the use of automated checkouts.



Note: These guidelines are valid as of the date published; however, GS1 US can make changes and/or additions daily. Please refer to their websites for the most current information.

SECTION 3B ELECTRONIC DATA INTERCHANGE (EDI) REQUIREMENTS

1. The Exchange requires EDI. It is our intention to eliminate all paper media by trading business electronically via X12, Voluntary Inter-Industry Communications Statement (VICS) or Electronic Data Interchange for Administration Commerce and Transport (EDIFACT) EDI.
2. The required documents are 810 (inbound Invoice), 850 (outbound PO), 860 (outbound Amendment), 856 (inbound advanced shipping notice [ASN]) with GS1-128 label documents, 824 (Application Advice), and 997 (Acknowledgement).

TABLE A - Required Electronic Documents:

Transaction	Standard	Description	Version
810	X-12	Invoice	5010
850	X-12	Purchase Order – Revision 1 (All data)	5010R1
850	X-12	Purchase Order – Revision 2 (No PID – Product Item Description)	5010R2
850	VICS	Purchase Order – Revision 5 VICS – (No Special Marking instruction for overseas shipment)	5010R5
856	X-12	Ship Notice/Manifest	5010
860	X-12	Purchase Order Change Request - Buyer Initiated	5010
997	X-12	Functional Acknowledgement	5010

a. **(810)** Invoice is received inbound for payment of merchandise. Invoice data from the supplier must follow the EDI mapping requirements to be processed successfully. Once the supplier is in production EDI with invoices, paper invoices are not accepted. Invoices failing in our EDI system from supplier error may result in non-compliance charges.

b. **(850)** PO is sent outbound; this document advises the supplier of merchandise ordered and shipping information. Orders may have ship to and mark for shipping information and must be received and processed according to the EDI requirements.

c. **(856)** Advanced Ship Notice is required on all EDI POs sent electronically. The supplier must send one ASN per shipment. The item UPC on the ASN and physically shipped must match the UPC from the PO; if the UPC ordered is invalid, the buying office must be notified to make internal changes, and the item should not be shipped. Failure to send a complete ASN results in unshipped lines cancelling from the PO. An amendment (860) is created to cancel unshipped item(s). If the supplier is unable to ship all items on a PO, the supplier must advise the buying office or the supplier has the option to send the EDI transaction 855 PO Acknowledgment.

d. **(860)** Amendment is sent outbound. This document notifies the supplier of changes made to the PO and is initiated by the buying office.

e. **(997)** Acknowledgment is required within 24 hours for any outbound file from the date of the transmitted document. Failure to send a 997 results in non-compliance charges. The Exchange EDI sends the 997 within 24 hours of the inbound file received.

NOTE: Detailed requirements for all EDI documents are available on our web site at:
<http://www.aafes.com/about-exchange/doing-business/edi-info/>

TABLE B - Optional EDI Documents:

Transaction	Standard	Description	Version	Description
820	X-12	Remittance Advice	5010	Used to make payment, send remittance advice or both.
824	X-12	Application Advice (vendor managed inventory [VMI] only)	4030	Used to report results of data content edits of transaction set
852	X-12	Product Activity Data - Sales	5010	Used to advise a trading partner of inventory, sales and other product activity information.
855	X-12	Purchase Order Acknowledgment - Warehouse VMI	4010-WVMI	Used as notification of vendor generated order
855	X-12	Purchase Order Acknowledgment – Store VMI	4010-SVMI	Used as notification of vendor generated order
855	X-12	Purchase Order Acknowledgment – PO Ack	4030POACK	Advises buyer the Supplier has or will ship merchandise as prearranged
875	UCS	Grocery Products Purchase Order	4030	Used by retailer or wholesaler organization to request delivery of finished goods from broker or supplier organization

TABEL C - Transportation EDI Documents

Transaction	Standard	Description	Version	Description
753	X-12	Request for Routing Instructions	4030	Used to request routing instructions and provide general information about merchandise ready to be shipped
754	X-12	Routing Instructions	4030	Used to communicate routing instructions for supplier for a specific shipment.

990	X-12	Response to a Load Tender	4030	Used to provide general information relative to a specific shipment.
204	X-12	Motor Carrier Load Tender	4030	Used to allow shippers or other interested parties to offer a shipment to a truckload motor carrier
210	X-12	Motor Carrier Electronic Freight Details and Invoice	4030	Used to provide detail information for charges for services rendered by motor carrier.
214	X-12	Transportation Carrier Shipment Status Message	4010	Used by transportation carrier to provide shippers, consignees, with the status of shipments.
315	X-12	Ocean Details	4030	Used to accommodate the details for one status or events associated with many shipments or containers.
325	X-12	Consolidation of Goods In Container	4030	Used to provide information on the goods loaded into a container.

TABLE D - EDIFACT EDI documents – used for European suppliers

Transaction	Standard	Description	Version
Orders	EDIFACT	Purchase Order	96A
Invoice	EDIFACT	Invoice	96A
DESADV	EDIFACT	Dispatch Advice (Advanced ship Notice)	96A
CONTRL	EDIFACT	Acknowledgment	96A

EDI Sender/Receiver ID's

Test –

Qualifier: 14
ID: 001695568GT
Qualifier: 01
ID: 001695568T (International Computer Center Network [ICCNET] ONLY)

Production –

Qualifier: 14
ID: 001695568GP
Qualifier: 01
ID: 001695568P (ICCNET ONLY)

3. AS2 Communication:

a. AS2 is a communication protocol between the supplier and the Exchange to send/receive documents. Having an AS2 connection eliminates the need of using a Value Added Network (VAN) to trade documents. However, the suppliers would need their own AS2 software and encryption certificates to implement this direct medium of communication with the Exchange.

b. Testing an AS2 connection is done by our EDI Error Support team. All suppliers must fill out the form on our web site <http://www.aafes.com/about-exchange/doing-business/edi-info/> located under the AS2 communication tab to initiate the AS2 implementation process.

4. Test process of new suppliers or new transactions:

a. **EDI Setup and Testing** - Upon receiving supplier's Exchange supplier number, it is important the EDI team knows what type of business the Supplier will be doing with Exchange – Retail or Direct (Catalog/Internet)

(1) **Testing** - Review EDI guidelines and specifications found at:
<http://www.aafes.com/about-exchange/doing-business/edi-info/edi.htm>

(2) After connection setup and mapping is completed by the supplier and Exchange, testing can commence for EDI documents with the EDI Rollout associate, email:
EDIROLLOUTREQUEST@aafes.com

(a) Submit test data for evaluation on inbound (from trading supplier) transaction sets (i.e., 810, 856) using test POs (sent by Exchange).

(b) Submit shipping label (GS1-128) Bar Code Graphics for label certification to
EDIROLLOUT@aafes.com

(3) Depending on the supplier, testing can be a simple or complex process. If the supplier uses a third party provider already trading EDI documents with the Exchange, many of the documents do not require testing and go directly to production. Testing should be completed for the remaining documents within five days. For suppliers using their own EDI, testing should be completed within two weeks of their connection setup and maps ready to test. The supplier is expected to dedicate the time and effort to this process to ensure timely completion.

Note: The Supplier is:

- **Responsible for checking their VAN mailbox daily.**
- **Required to send Functional Acknowledgments within 24 hours of the transmission date.**
- **Responsible for all VAN charges.**

b. **Production process** - Once the supplier has been added or moved to the EDI production system with appropriate EDI transaction sets:

(1) The production Exchange EDI Qualifier/ID and version (5010 or 4030) must be sent. If set up with AS2 connection, it must be sent in the production environment.

(2) The 997 is required within 24 hours of the transmitted file, to ensure the supplier successfully received our EDI transmitted document.

(3) Operations issues or requests should be directed to EDIERRORSUPPORT@aafes.com

SECTION 3C SUPPLIER USE OF THE EXCHANGE COMPUTER SYSTEM

1. Exchange computer systems are for official Exchange business. HQ Information Technology (IT) Computer Security Officers are the approving authority and are responsible for establishing new user accounts. Sharing of accounts (USERID and Passwords) on Exchange computers is prohibited. Violators will lose their accounts.
2. Upon the acceptance of a new account, the Supplier is issued a USERID and an initial password. To activate the account, log on to the Exchange computer system. The Supplier must change the password when accessing the Exchange computer system for the first time. Any account not activated within 10 business days of the issued USERID and initial password will be deleted. The system requires password changes at fixed intervals. Use of the system is subject to Exchange audit.
3. The Supplier is responsible for the protection of their password. If you suspect that your password has been compromised, change the password immediately and report the suspected compromise to the Exchange Computer Security Officer.
4. After three consecutive unsuccessful log-in attempts, your USERID will be suspended. Contact the Exchange Help Desk, 1-800-289-3800 to remove the suspension.
5. Exchange Supplier accounts are created with an expiration date of one year from the creation date. All Supplier accounts require annual recertification. If the Supplier account is not recertified prior to the expiration date, the account will be disabled. The Exchange Local Security Officer will notify the Supplier of the recertification requirement, at least 30 days prior to account expiration. If an account is inactive for 90 days, it will be disabled without notice. Promptly notify the Exchange Local Security Officer of any change in your employment status. Suppliers no longer needing an account will promptly notify the Exchange Local Security Officer. Accounts are also disabled upon the completion (expiration) of contracts.
6. Do not copy software to or from Exchange computers without the Exchange's written permission. Any misuse of system resources (e.g., games, profit) or circumvention of security mechanisms will result in the suspension and/or deletion of your account and possible prosecution under the law. Unsuitable language on Exchange computer systems is not tolerated.
7. Supplier access will be limited to data the Exchange has approved as necessary for conducting business. Exchange IT Operations and/or employees associated with Exchange computer systems will not be liable for the loss of any data resulting from user error, operator error or system malfunctions. Exchange IT Operations is not obligated to ship tapes or hard-copy to Suppliers.
8. Exchange computer systems are normally available 24 hours a day, seven days a week. However, uninterrupted service is not guaranteed. Any or all system-provided software may be changed or modified at any time and without prior notice. Exchange Computer Operations sends advance notification to users of any scheduled outages (e.g., preventive maintenance, equipment shutdowns, etc.).
9. The Exchange Help Desk, 1-800-289-3800, will provide limited user assistance on tasks related to system software; however, they will not provide formal or time-consuming training.

SECTION 4. MARKETING

SECTION 4A ADVERTISEMENTS

Suppliers are not permitted to represent, in any manner, that products purchased by the Exchange are approved or endorsed by any element of the U.S. Government. All advertisements, including cents off coupons which refer to the Exchange, will contain a statement that the Exchange neither paid for nor sponsored the advertisement.

SECTION 4B PRODUCT DEMONSTRATIONS, TESTERS AND CONSUMER SAMPLES

1. When requested by the Exchange Buyer, provide personnel acceptable to the Exchange Buyer to demonstrate products. Your personnel will comply with [Exchange Supplier's Handbook, Section 2](#). Demonstration frequency will be determined by activity sales volume and complexity of the category (i.e., high volume activities or activities selling computers may require daily visits in order to properly demonstrate the merchandise). Demonstrations will be conducted at times and locations mutually agreed to by you and the Exchange.
2. Products and display material used for product demonstration, display testers and/or samples will be at the Vendor's expense. Any material or product taken from an Exchange shelf will require a Return Authorization (RA) number and will be deducted from your account at cost. All products will be marked as demo, tester or sample by the Exchange and all leftover demo, tester, or sample items no longer needed, will be disposed of locally by the Exchange.
3. If you require leftover demo, tester or sample items to be physically returned, they must submit the request in writing to the local Exchange and document the method of removal at the Vendor's expense.

SECTION 4C PRODUCT SAMPLES

Avoid sending any unsolicited samples of merchandise or products to either the Exchanges or HQ. If samples are required for product evaluation purposes, you will be specifically requested to send your product brochures or other descriptive literature portraying the merchandise or products you are interested in selling. If your product is chosen to be in one of our system-wide sale event circulars, it is your responsibility to ensure that either merchandise or digital images arrive in a timely manner as dictated by the HQ marketing group. If the product does not arrive in a timely manner as specified, or threatens to impede production of the circular, your product may be dropped from the circular.

SECTION 4D LOGO/ARTWORK/PROOF

All Exchange-furnished artwork bearing the Exchange logo or trademark will remain Exchange property. The Exchange logo, trademark or artwork may not be changed, revised or altered. Within 20 calendar days after expiration or termination of contract, return all Exchange-furnished artwork to the Contracting Officer. Provide a mock-up/proof for approval before initial production run. A first-run sample for the item(s) will be furnished to the Contracting Officer for approval, before full production.

SECTION 5. FLOOR READY

SECTION 5A TICKETING, PRICING AND GARMENT LABELS

1. If the Exchange requires Suppliers to price ticket merchandise in the traditional manner, in one of the following formats. The only difference between these two formats is the age code. The second format allows for three digits instead of a two-digit code.

For 2-Digits

Line Number (e.g., 2002 1st quarter)
(Optional) Age Code is **21**

For 3 Digits

(e.g., 2002 Dec)
Age Code is **212**

Exchange Item Number (will be 9, 11 or 15 digits)
Retail Department Code (RDC)

2. The age code may have two or three digits.

a. In a **two-digit format**, the first digit represents the calendar year, the second the calendar quarter. The Supplier will code merchandise according to the quarter receipt will be made. First quarter is January-March; second quarter is April-June; third quarter is July-September; fourth quarter is October-December. Age code 31 is used for estimated receipt dates during the 1st quarter of 2003. Age code 32 is used for estimated receipt dates during the second quarter of 2003.

b. In a **three-digit format**, the first digit represents the calendar year and the second and third, the calendar month. Age code 312 is used if the estimated receipt date is December 2003. Age code 307 is used if the estimated receipt date is July 2003.

3. Definitions

a. **Pre-ticketing** – Attach price tickets to each unit of sale.

b. **Seeding** – Price tickets, in a quantity equal to the units of sale in each case plus 5%, will be placed in a clear plastic price-ticket envelope and attached to each case. If a ticket envelope is not available, place tickets in a plain envelope with “Price Tickets” stamped or printed on the envelope. Attach the envelopes to each case. Apply one ticket to the upper right corner of each carton.

c. **Case Only Price Marking** – The price label will be placed on the end of each carton in the upper right corner. Inner packed items will not be pre-ticketed or seeded.

4. Price tickets may be gummed or pressure-sensitive labels, pin tickets or string tags, but they must be appropriate for the merchandise they are used on. Do not cover the UPC. Price tickets will be affixed to the merchandise in a manner not to detract from salability, and will not damage the item when removed. Price tickets will be according to the following general guidelines:

a. Handwritten tickets are not acceptable.

b. Gummed or pressure-sensitive labels should be used on packaged or boxed items. The price label should be placed in the upper right corner of the box end panel. Tickets should not cover product information.

c. Do not use pin tickets on items that are easily torn or scratched.

5. **Exchange Vendors** that are directed by HQ to pre-ticket merchandise must comply with the retail pricing requirements, ticket placement, and ticket format prior to shipment, unless otherwise agreed upon by the Exchange Buyer. See [Appendix A1, Retail Department Numbers Ticketing Requirements](#). This will allow for the merchandise to move through the Exchange distribution process faster leading to merchandise reaching the stores and our customers sooner.

6. Ticket “seeding” (putting unattached tickets in the box without attaching them to the product) is an unacceptable practice and will be assessed a non-compliance fee.

a. Ticketing General Standards:

(1) All merchandise shipped to the Exchange must include a proper UPC or EAN ticket with correct industry standard UPC or EAN barcode. Do not ticket with both UPC and EAN.

(2) Use only UPC or EAN tickets that meet GS1 specifications.

(3) Barcodes must support and not impair Exchange scanning requirements. To ensure such quality, institute an ongoing UPC or EAN barcode quality control program.

(4) Do not use secondary barcodes. Use only one UPC or EAN barcode and only one ticket for any single item.

(5) Color and size coding is required and follows VICS industry standardized color-coding guidelines. Ensure that all sized merchandise has the size clearly visible on the tickets. Visit VICS at: www.vics.org for color detail requirements.

b. Retail Price Marking: Price-mark merchandise before or at delivery with tickets prepared according to Price Marking instructions.

(1) Retail price marking overview – see [Appendix A1, Retail Department Numbers Ticketing Requirements](#), for a list of products that require price marking.

(2) Manufacturer’s Suggested Retail Price (MSRP) is required on the UPC tickets for most merchandise.

(3) Exchange ticketed retail must match retail on PO. If the retail does not match the PO, a non-compliance fee will be processed.

(4) Print retail price clearly using at least 18-point bold font.

c. Attachment and Placement

(1) UPC or EAN tickets must be securely affixed to merchandise so as to be clearly visible to customers and sales associates.

(2) Do not use safety pins, straight pins, or other pins of any kind. (Exceptions: dress shirts and woven sport shirts).

(3) Pins and metal parts used on approved merchandise must be rustproof and must not tarnish. Do not loop strings around buttons or through buttonholes. Fused string, which is securely attached, is permitted.

(4) Where fabric damage is a concern, swift-attach ticket through sewn-in label in the neck or in the waistband. On merchandise with sizes imprinted in neck, insert in nearest neck seam allowance.

(5) All labels that are applied directly to products must use a removable adhesive that will not damage the merchandise or leave residual adhesive on the merchandise.

(6) Ticket both the item and the package for boxed/packaged merchandise that can be displayed out of packaging.

(7) If merchandise is to be sold only as a set, affix only one UPC or EAN ticket to the outside of the package.

(8) Refer to [Appendix A1](#) for ticket placement.

d. **Garment Labeling**

(1) Merchandise must be properly labeled before shipment. At minimum, the merchandise must be clearly labeled in English and contain the garment size, fabric content, and the type of cleaning/care information according to Federal Trade Commission's Care Labeling Rule.

(2) Clothing must bear the brand name or manufacturer's label.

SECTION 5B HANGERS

1. VICS approved hangers are required for all hanging apparel displayed in Exchange stores.

a. The VICS approved **black** hangers will be required for use in the following categories; young men's, men's, junior's, misses, women's, and petite sizes.

b. The standard VICS approved **white** hanger should be used for all children's areas including newborn/infant/toddler, little boys and girls (sizes 4-8), big boys and girls (sizes 6-20). The children's area will continue the use of child resistant clip-on size tabs that are white with black lettering.

2. Hanger Requirements are located in the [Appendix A2, Exchange Hanger Requirements](#). Use of incorrect hangers or not providing hangers will result in a non-compliance fee.

SECTION 5C SIZING

1. Color and size coding is required and follows VICS industry standardized color-coding guidelines. Ensure that all sized merchandise has clearly visible size on the label and ticket. Visit VICS at www.vics.org for Size Bric color detail requirements.

2. Sizes must be easy to identify on the Size Bric and use the VICS color scheme, reference [Appendix A2](#).

SECTION 5D PRESENTATION STANDARDS

1. All merchandise must be received in "floor ready" condition for immediate placement on selling floor. Any exceptions to this rule must be approved in writing by the appropriate Divisional Merchandise Manager (DMM).

2. All garments to be displayed folded require a size strip unless the requirement is waived in writing by HQ. Size strips are recommended, but not required for folded dress shirts and folded woven sports shirts or tailored dress slacks.

3. Sized products such as comforters, blankets, "Bed in a Bag" must clearly state the size on the product using print no smaller than 18-point bold font. The size indicators must be clearly visible on at least 2 sides (front and side) of the product.

4. Women's and girl's bathing suits must have protective liners in the bottoms. A non-compliance fee will be charged for all bathing suits without the protective liner.

SECTION 5E WRINKLE PREVENTION

1. To prevent wrinkling or soiling, cover each hanging or folded garment with a clear, dry cleaning style plastic bag. Bags are not otherwise required.
2. Pack merchandise in flat cartons. If merchandise must be folded, use only one fold at the bottom of the garment.
3. Lay garments front side facing up.
4. Close all buttons, zippers, and hooks to prevent wrinkling or damage.
5. Delicate items should be placed on top to prevent crushing.
6. Do not over pack or under pack cartons.

SECTION 6. LOGISTICS

SECTION 6A GENERAL INSTRUCTIONS

1. **Pallet Shipments.** The type of pallet pattern varies. NON-BULK shipments to all Distribution Centers (DCs) will be on pallet type in GO5. Use pallet type GO7 for BULK shipments to DCs. BULK pallets are used when a case exceeds 50 pounds, 36 inches in length, 23 inches in width and 3 inches in height.
2. Mark "**Aerosol**" in bold lettering, no less than 7/16" high, on all shipping containers with aerosol dispensers.
3. Partial shipments are authorized.
4. Inspection will be at your facility; at no cost to the Exchange. Also provide inspector parking, assistance in moving merchandise, sample unpacking, repacking, adequate inspection space, inspection table(s), sufficient lighting and any special or support equipment (e.g., for product function tests) needed to accomplish the inspection.
5. Use a 40" x 48", four-way entry, flush side, non-reversible pallet. No product overhang is permitted. The maximum height, including the pallet, will not exceed 39". Wrap each pallet using one of the following methods: stretch film, shrink film or top-capped strapped four ways. Stretch film is preferred. Plastic strapping is preferred when using the top-capped method.
6. Use a 48" x 40" pallet for bulk storage. Maximum height will not exceed 60". No product overhang is permitted. Wrap each pallet using one of the following methods: stretch film, shrink film or top-capped strapped four ways. Stretch film is preferred. Plastic strapping is preferred when using the top-capped method.

SECTION 6B SHIPPING TO CONTINENTAL UNITED STATES (CONUS)/OVERSEAS LOCATIONS

You will be charged for all costs incurred for failure to follow logistic instructions, including but not limited to, transportation, packing, marking and administrative expenses.

1. PACKING

a. All boxes used must be designed and manufactured to ensure safe delivery and must comply with all applicable standards set forth by the National Motor Freight Classification (NMFC). There must be a certificate of the box maker printed on each box/container.

b. Shipments must be packaged in Exchange order-designated case quantities. Shipments consolidated into master cartons are not exempt from requirements that all inner pack cases are packaged according to the order and in designated order case quantities.

c. Package/box quality requirements:

CONVEYABLE BOX MIN/MAX REQUIREMENTS

Maximum Size (L x W x H)	36" X 24" X 24"
Minimum Size (L x W x H)	9" X 9" X 4"
Maximum Weight (pounds)	70 lbs.
Minimum Weight (pounds)	3 lbs.

Note: Flaps must be glued or securely taped. Liquid must be marked: "THIS SIDE UP."

2. DISTRIBUTION CENTER - NON-CONVEYABLE BOX

a. Conveyable boxes are preferred. Packages which fall under the following criteria are not conveyable and should be avoided when possible.

(1) **Protrusions** – Package has protrusions, plastic banding or metal banding on the outer packaging material.

(2) **Exceeds Case Size** – Dimensions are less than or greater than the conveyable case size requirement.

(3) **Wrong Package Structure** – Bags are not enclosed within a box.

(4) **Shape** – Containers are round or irregularly shaped.

(5) **Strapping** – Items are loosely strapped.

(6) **Hazardous** – Liquids hazardous to associates or conveyors if broken.

(7) **Weight** – Cartons weigh less than or greater than the conveyable case weight.

b. Multiple orders must not be consolidated or packaged inside one carton. If packing more than one order line item per carton, mark the carton "REPACK" and enclose a packing list.

c. All hazardous and flammable commodities will be packaged and marked according to state and U.S. laws and regulations, international agreements and military or carrier rules.

- d. Costs required to protect the cargo are your responsibility.

SECTION 6C MARKING

1. Marking must be clear and easily read. Remove or cover markings that are not pertinent. A carton tag or label will be used if printing or stenciling is not practical.

2. All cartons must have the following information printed on at least one side of each standard pack shipping container. Mark each carton as follows:

- a. Exchange PO number.
- b. Exchange destination facility (seven/ten-digit number).
- c. Item description.
- d. Color, size, style (if applicable).
- e. Case pack (number of selling units in carton).
- f. Selling unit UPC label.
- g. Date of manufacture (month, year) or date of expiration (day, month, year for perishable commodities).
- h. "REPACK" must be clearly printed on all consolidated cartons.

Repack cartons contain more than one order case pack in a single shipping case. An example of a repack carton is when an order calls for an item to be packed 6, but is shipped in a carton packed 72 (12 x 6). This carton must be marked "REPACK." Each inner carton of 6 must be packaged in a shippable carton meeting above stated NMFC guidelines.

3. Carton marking information can be printed directly on the corrugated carton or printed on labels and applied to the shipping carton. If stenciling is the only means to mark the cartons, then minimum 1/4-inch lettering must be used. Exceptions would only pertain to bagged products or non-corrugated packaging (e.g., potting soil, bagged dog food, ladders, etc.). It is permissible to print all carton markings on the shipping label. Refer to [Section 6D, Exchange Standard Shipping Label Guidelines](#) .

4. HAZARDOUS GOODS:

a. All hazardous and flammable commodities will be marked in accordance with state and U.S. laws and regulations, international agreements and military or carrier rules.

b. Mark all packages/cartons of hazardous/dangerous goods to meet U.S. Department of Transportation (DOT) and United Nations (UN) rules and regulations. Send the Contracting Officer a material data sheet (MSDS) which contains the proper shipping name, class/division, UN number, packing group (when applicable) and the flash point (for Class 3 Dangerous Goods).

c. Packing requirements can be found in the following regulations:

- (1) International Maritime Dangerous Goods (IMDG)

(2) International Air Transport Association (IATA)

(3) Code of Federal Regulations (C.F.R.), Title 49, Transportation

5. If additional markings are required, they will be shown in the order's "MARK FOR" block. Special markings (e.g., fragile, keep refrigerated, date of manufacture, date of expiration, use by date) may be required.

SECTION 6D EXCHANGE STANDARD SHIPPING LABEL GUIDELINES

1. Use of Uniform Code Council (UCC) labels is required. The UCC/128 bar code is required along with the advanced shipping notification through EDI.

2. The standard shipping label must contain the following information:

Zone A	FROM Good Time Supplier 1155 Battery St San Francisco, 94111	TO AAFES Ft Jones Shoppette Bldg 4701 5241 San Antonio Dr NE Albuquerque NM 87109	Zone B
Zone C	SHIP TO POST (420) 87109	CARRIER Best Freight PRO: 2895769860 B/L: 853930	Zone D
Zone E/F	PO: 0001234567 box 7 of 9		
Zone G	FOR (91) 1040108	fac# 1040108	Zone H
Zone I	SSCC (00) 0 00521775138957172		

A. Supplier's Name and Address

B. Destination – Where merchandise is being shipped to

C. Barcode (zipcode from ship to address) this is for Carrier information – as specified by transportation company moving shipment

D. Carrier Name, tracking numbers (PRO#, Bill of Lading, AWB, etc.)

E. AAFES PO number – 10 digit numeric. Readable number required. Barcode and Department # optional

F. AAFES Department number, if used, below PO number

G. Seven digit facility number in bar code form

H. Readable AAFES facility number – Seven digit numeric

I. SSCC 18 digit serial shipping container code – with application ID "00"

Highlighted items denote mandatory information

Supplier Requirements

3. Items shipped by full pallet or slip-sheet quantities will require one designated shipping label placed on the upper right-hand corner (representing the entire pallet) of the unitized load. Items shipped as individual carton (floor-loaded) quantities and/or mixed on a pallet will require one designated shipping label placed on each carton of merchandise in the shipment. Palletized items or slip-sheet quantities, designed to be delivered intact, will not be broken down in-transit. To ensure these pallets maintain their integrity, place large labels or tags on all four sides stating: **“DO NOT BREAK DOWN PALLET.”**

SECTION 6E LOADING/UNLOADING

1. Load all shipments at your expense. All modes of transportation are used; therefore, loading may involve commercial and/or Exchange equipment. The carrier may be required to unload at destination. Unloading charges for FOB destination POs are your responsibility.

2. Palletized shipments are preferred and should be used whenever possible.

a. Regardless of FOB terms, do not load multiple POs on one pallet or slip-sheet.

b. **Pallet standards will meet these minimums:**

(1) Grade A four-way, flush non-reversible to be of:

(a) Good sound material free of knots.

(b) Seven boards on top and five on bottom with three stringers.

(c) No missing or broken boards on top or bottom.

(d) No double stringers or patched boards.

(e) All stringers to be solid, not broken or cracked.

(f) Not required to be bleached or white, but should be clean.

(2) All shipments destined to foreign countries must meet requirements outlined in [Section 6J, Shipping to Overseas Locations, paragraph 4](#).

3. You may be required to palletize the shipment by specific pallet stacking pattern identified in the order's special instructions.

4. **Overhang** - merchandise must be stacked on pallets with **no overhang** product over the edge.

5. **Stack by item** - merchandise **must** be segregated and stacked on the pallet by item.

6. **Slip-sheets** – slip-sheets may be used for additional layers on top of the stack to help maximize the full cubic space of a trailer.

7. **Double stacks** - pallets may be double-stacked in the trailer, providing the weight and/or height will permit.

8. **Stretch wrap** - all slip-sheets and/or pallet merchandise must be stretch-wrapped to help prevent merchandise loss or damage during shipment. Please do not put labels on the stretch wrap. Ensure all labels are securely placed on the inside of the stretch wrap. Stretch wrap must be of top quality and memory; retention specifications must be 80 gauge, 15" or the equivalent of Mobil, Borden or Lineal brands.

Supplier Requirements

9. **Pallet exchange** - Do not do pallet multiple exchanges except when coordinated in advance with the individual delivery destination. CHEP pallets must be identified on the bill of lading (B/L) for accountability. Pallets are considered part of the cost-of-goods and charges must be approved by the Contracting Officer and itemized, with costs, on the invoice and B/L.

SECTION 6F PALLET PICK PROGRAM

1. The Pallet Pick Program allows large-volume Exchange stores to receive pallet quantities of warehouse-stocked merchandise. Identify merchandise provided for the Pallet Pick Program for ease of receipt at Exchange DCs.

2. Exchange orders will specify items that must be shipped in pallet quantities.

Note: The same vendor stock/style number may be on the order, but listed as a different 7-digit Computer Reference Code (CRC) or 15-digit item number for individual case pack distribution to smaller retail stores.

3. Items designated in pallet pick quantities must be delivered in the following manner to ensure proper receipt upon delivery to Exchange DCs:

- a. Pallet each item based on quantity predetermined by the Contracting Officer.
- b. Stretch-wrap product to meet the guidelines in [Section 6E, paragraph 8](#).
- c. **“DO NOT BREAK APART PALLET PICK.”**
- d. No change to the order pallet quantity is authorized without Contracting Officer approval.

SECTION 6G HAZARDOUS ARTICLES

Shipments of hazardous/dangerous articles must follow U.S. laws and regulations, international agreements and military or carrier rules. Exchange Logistics Export Routing can provide specific instructions for shipments destined overseas. Shipments for overseas locations routed through an Exchange-operated Consolidation Center (CC) or DC, or a military terminal, must be marked, packaged and documented for subsequent international shipment. Reference [Appendix A3, Contact Information](#) for contact info.

SECTION 6H DOCUMENTATION

1. **Bills of lading** will be completed according to the rules of National Motor Freight/Uniform Freight Classification. Include the following on all bills of lading:

a. The Exchange order number, pieces, weight and cube for each order and, if for export shipment, the transportation control number (TCN). For shipments subject to density ratings, such as toys or plastic articles, show the density per cubic foot and total cubic feet. The actual weight of the shipment is the only weight to be shown. Call the [Logistics Directorate](#) (LG), before shipping merchandise with less than 6 lb. per cubic foot density and a volume of more than 300 cubic feet.

b. Carrier delivery appointment required.

c. Unless palletized shipments are documented with pallet “Said To Contain (STC)” on the freight bill or B/L, individual cases must be counted at pick-up and transshipment points as well as at the ultimate destination.

2. FOB origin freight charges:

a. Less Than Truckload (LTL), and truck load shipments to Exchange DCs, CCs and retail facilities must be third-party billing to the Exchange. Bills of lading should be marked as follows:

“Collect,” Third-Party Bill to: Exchange Logistics
ATTN: LG-T/FBA
P.O. Box 660202
Dallas, TX 75266-0202

b. Include the Exchange 10-digit PO number, pieces, weight and cube for each order number on the B/L.

c. FOB origin FedEx Ground Service shipments must be shipped collect. For additional information, refer to <http://www.shopmyexchange.com>; click on “Doing Business with the Exchange”, “Logistics”.

d. FOB origin U.S. Postal Service (USPS) shipments routed to an Army/Air Force Postal Office (APO) address, Alaska, Hawaii and Puerto Rico must be prepaid and added to the merchandise invoice.

SECTION 6I MOVEMENT INFORMATION

1. The following provisions apply to CONUS shipments and CONUS-to-Overseas (see additional provisions in [Section 6J, Shipping to Overseas Locations](#)):

2. Follow FOB origin routing as shown on the order. If an order is received without routing, or a deviation is required, call LG CONUS Routing, see [Appendix A3](#). LG must authorize any deviation to the routing instruction before shipment is made. Unless otherwise directed, call for routing at least three days before the scheduled ship date. Small package carrier (U.S. mail, FedEx ground, etc.) shipments will **not** be accepted at an Exchange CC.

3. If the FOB terms are changed, call [LG](#) for routing instructions, see [Appendix A3](#).

4. Vendors are required to go to the Exchange Partners website (partners.aafes.com/vendor/), release orders and follow routing instructions provided by the Transportation Management System (TMS). Orders cannot be released past the scheduled ship date and will require PO amendments from the Contracting Officer to change the ship date. Failure to follow TMS routing instructions may result in non-compliance charges for any excess freight charges incurred by the Exchange. For further information, refer to <http://www.shopmyexchange.com>; click on “Doing Business with the Exchange” – “Vendor Compliance”.

5. **FOB origin orders** - Arrange pick-up on the scheduled ship date. If you cannot ship on the scheduled ship date, prior approval must be obtained by the Contracting Officer to avoid carrier charges and order cancellation. The Exchange may cancel the order and return shipments made after the scheduled ship date, and charge you for the cost of returning or disposing of the shipment, or for the cost of expedited handling and transportation to retail stores, where applicable.

6. **FOB destination orders** - The shipment must be delivered on the scheduled required delivery date. If this delivery date cannot be met, prior approval must be obtained from the Contracting Officer. The Exchange may refuse shipments arriving after the scheduled required delivery date and cancel the order or, if accepted, charge you the costs of expedited handling and transportation to retail stores, where applicable.

7. **Order Consolidation** - Consolidate FOB origin shipments to the same "Ship To" address on the same ship date on a single B/L. If the consolidated shipment is more than 5,000 lbs. or more than 700 cubic feet, contact LG CONUS Routing, see [Appendix A3](#), to verify routing. If small parcel orders are consolidated and are more than 200 lbs. or more than 15 cubic feet, contact LG to verify routing.

Note: The above order consolidation does not apply to shipments routed by the Exchange TMS.

SECTION 6J SHIPPING TO OVERSEAS LOCATIONS

1. In addition to provisions stated previously in [Section 6I, Movement Information](#), the following will apply. The Exchange charges for failure to follow these instructions; costs can include transportation, packaging, marking, handling and administrative expenses. Follow FOB origin routing as shown on the order. If an order is received without routing or a deviation is required, contact [LG Export Routing](#) at . The Exchange must authorize any deviation to the routing instruction before shipment is made. Unless otherwise directed, call for routing at least 14 days before the scheduled ship date.

2. **Mark** all cartons with the order "MARK FOR" data.

3. **Container Loading** - Regardless of FOB terms, the Exchange may require you to load ocean containers. When loading is complete, provide the container and seal numbers to Logistics Export Routing at least 24 hours prior to vessel cutoff. ***You are responsible for meeting a vessel cutoff date/time provided by Logistics Export Routing. The Supplier must provide Logistics Export Routing notice prior to cutoff date/time if it cannot meet this obligation.*** In the event that prior notice of a failure to meet vessel cutoff date/time is not provided to Logistics Export Routing, an administrative fee will be assessed for late van and seal for processing the paperwork and an additional charge for every late container in that booking. There will also be a "no show" fee charged for every container that does not make the vessel cutoff as the Exchange incurs charges from the carrier. See [Appendix A3](#).

a. Shipment to a DC or Consolidator may be required.

b. When shipping via commercial carrier, ensure special instructions are included on the (B/L) (i.e., calling for delivery appointment, delivery to a specific building number, etc.).

4. **Pallet and wood packing materials for overseas** - Use of CHEP pallets is not authorized. Shipments on wood pallets and shipments containing wood packing materials destined overseas must comply with the International Standards for Phytosanitary Measures and all regulations found on the U.S. Department of Agriculture (USDA) website: <http://www.usda.gov/wps/portal/usda/usdahome>.

SECTION 6K SPECIAL PROGRAMS (Crossdock/Vendor Managed Inventory)

1. Crossdock Shipments

a. Do not back order any merchandise on crossdock orders. Any item balance unable to be filled will be canceled after initial shipment.

b. Do not substitute any merchandise on crossdock orders.

c. No minimum PO or store order quantities on crossdock items agreement is required.

d. Orders must be shipped to that most complete extent possible. If a trailer overflow is experienced, all remaining merchandise must be shipped immediately via preferred Exchange Carrier.

e. RAs must be provided to Exchange DCs within two working days to return any merchandise shipped to the DC which was not on the order and/or is in excess of what was ordered.

f. Immediately notify the Contracting Officer when model numbers or style numbers are changed or when model changes or production problems create shipment delays.

g. Crossdock origin suppliers will be provided a Route Guide by LG, if not on Exchange TMS.

2. **Vendor Managed Inventory** - FOB origin suppliers participating in the Exchange VMI program should follow the Route Guide provided by Logistics Department-Transportation (LG-T) Negotiations and Compliance. Contact HQ LG-T Negotiations and Compliance at zzlgneg@aafes.com if a Route Guide was not provided.

SECTION 6L AIR SHIPMENTS

1. **Commercial** - Call the LG-Customer Service Office (CSO) at 1-800-234-1204 or LGTrafficCustomerService@aafes.com, for instructions. .

2. **Military Airlift** - Call 48 hours prior to delivery for air clearance. **Do not ship without clearance.** Exchange Distribution Center will provide Military Airlift shipping labels and instructions. **Do not ship without Military Airlift labels.**

SECTION 6M IMPORTS – SHIPPING FROM OVERSEAS LOCATIONS- (see: [Section 6A General Instructions](#), [Section 8 Tax Exemption Certificate](#), [Section 9 Duty Drawback](#), [Section 10 Invoicing and Payment](#).)

1. Mark all cartons with the order's "**MARK FOR**" data.

2. **Shipping to distribution centers or consolidators** - Shipment to a DC or Consolidator may be required.

3. **Routing** - Follow the routing shown on the order. If an order is received without routing, or a deviation is required, call LG. LG must authorize any deviation to the routing instructions before shipment.

4. **Loading** - Shipments must be loaded by destination, order number and style number. For shipments that are not loaded by destination, order number and style number, a sorting charge may be assessed. Sorting charges assessed by an overseas consolidator will be based on their local rates.

5. **Consolidation Center Charges** - The overseas consolidator will assess Container Freight Station (CFS) and Forwarders Cargo Receipt (FCR) charges based on local trade tariffs in the area of the consolidator.

6. **Import Documentation** - The type of merchandise being imported can determine the documents required to accompany an import shipment.

a. All or part of the following documents are required on shipments from overseas locations:

- *Bill of Lading
- *Commercial Invoice
- *Packing List
- *Country of Origin Declaration
- **Toxic Substance Control Act (TSCA) Certification
- **Trademark Certificate
- **Textile Declaration
- **Textile Export Visa
- **Certificate of Origin
- **Inspection Certificate
- **Container Freight Manifest
- **Other documents as required by U.S. regulations; i.e., Lacey Act, Federal Communications Commission (FCC), Food and Drug Administration (FDA), etc.

**Required documentation*

***Required if applicable*

b. Due to changing requirements, documentation that is not listed may be requested.

c. Turn over all documentation to the Consolidator. The Exchange has a “no documentation, no ship” policy.

NOTE: See Figure 2 for samples of carton markings.

7. Import Security Filing Requirements.

a. All inbound ocean shipments destined to the U.S. must comply with U.S. Customs import security filing requirements.

b. Provide the following information at the time of booking orders with the Exchange or agents performing container booking/consolidation services:

- Seller name and address (company the Exchange is purchasing from)
- Manufacturer name and address (where product was made)
- Ship to name and address (Exchange facility PO is shipping to)
- Container stuffing location if NON-factory load
- Consolidator name and address for factory loads
- County of origin code
- Exchange assigned Harmonized Tariff Schedule (HTS) code
- UPC

c. Any incorrect information that results in a fine to the Exchange will be charged back to the shipper.

8. EXCHANGE VENDOR COMPLIANCE PROGRAM – IMPORTS

“Exchange Imports” maintains two compliance programs. One for the paperwork required for entry; the other for canceling/changing bookings with the consolidator.

a. **Paperwork Requirements**

(1) This is the minimum requirement for the commercial invoice:

(a) All shipments – Complete name and address for all manufacturers.

(b) Port of entry to which the merchandise is destined.

(c) Time and origin of shipment as well as consignee.

(d) Exchange 10-digit PO number.

(e) Each item must be identified by the UPC code and include a complete description, to include the Exchange assigned HTS code. The complete description includes exactly what the item is, what it is made of and the intent of use. If the description is not clear, please include a picture of the item.

(f) Quantities in weights and measures to include net and gross weight of each item.

(g) Cost price to the Exchange, to include the currency information.

(h) Terms of purchase.

(i) The country of origin must agree with the markings on the items.

(j) Invoice and all paperwork must be in the English language.

(k) **International Commercial (INCO) Terms** (terms of sale) for Import items – Import shipping terms are defined by INCO Terms 2010. The INCO Terms are not on the PO.

(2) Certain items, such as microwaves, require specific paperwork that can be obtained from the local office of our consolidator.

(3) Items sold in sets require a breakdown of the set on the commercial invoice. The breakdown must include a complete description as well as the cost price of each individual item. The cost price of the items in the set should equal the total cost of the item to the Exchange.

(4) FDA paperwork is required for compact discs/digital versatile discs (CD/DVD) players, massagers, electric toothbrushes and food products (including food packaged with a toy).

(5) If the goods purchased are subject to anti-dumping duties, the buyer must be informed before the goods are purchased and a statement of non-reimbursement must be included with the paperwork.

(6) All paperwork must be compliant with the appropriate Customs/other government agency rules and regulations.

(7) Suppliers providing a product by direct import, where the Exchange is the importer of record, must provide a Foreign Manufacturer Letter accordance with CFR§51,4682-3, *Imported Taxable Products*.

b. Booking Compliance

(1) Vendors who make bookings with our consolidator and then change or cancel the bookings cause the Exchange to ship containers that are not fully loaded, thus increasing our transportation expenses.

(2) A fee will be charged for violation of the Imports Compliance Program. It is possible to be charged twice per an individual PO that has multiple noncompliance issues.

(3) This program is not intended to be a profit center. The intent is to recoup some of the expenses violations cause.

(4) Contact the Exchange Logistics Import Office at lgimports@aafes.com with any questions.

(5) Charges are applied in accordance to the Vendor Compliance charge back program (reference [Vendor Compliance Document](#) at <http://www.shopmyexchange.com/>; click on "Doing Business with the Exchange," "Vendor Compliance"). The Vendor Compliance Program is intended to recoup the expenses violations cause, as well as demurrage or actual expenses related to paperwork violations.

SECTION 6N FASHION DISTRIBUTION FACILITY (FDF)

1. **PACKING, MARKING and SHIPPING MERCHANDISE** - Failure to comply with these requirements will be considered a failure to ship conforming items timely. The Exchange may reject the items or lots, or take other action, according to contract provisions such as Returns, Non-Waiver of Defaults and Latent Defects. Refer any questions to the Contracting Officer.

2. **GENERAL REQUIREMENTS** - Ship all merchandise following the order routing instructions. For local deliveries by truck, call for a delivery time. Multiple shipments are not authorized. The order must be complete in one shipment. Orders for coordinate groupings must be shipped together. Holding charges will be applied for incomplete coordinate groupings. Contact **LG** seven business days prior to the order ship date for routing.

3. **MERCHANDISE SHIPPED IN CARTONS, ON HANGERS**

a. Garments must lay face-up in the carton on the appropriate give-away hanger and be on the hanger with the open-mouth hook facing the right sleeve. A 3/4 mil weight poly garment bag will completely cover each garment.

b. Sizes must be clearly separated in the carton and colors must be separated within each size, in the same sequence.

c. Do not mix orders in a carton. A flat-type carton is preferred to a wardrobe carton. Do not describe as hanging garments on the B/L. Each carton shipping label must be marked with the line item number from the Exchange order. Only one item will be packed in a carton. Repack is not authorized.

d. Each carton must clearly show the complete order number, number of cartons in the shipment (1 of 20, 2 of 20, etc.) and a two-digit designator for the type of merchandise, as follows:

- 70Mens Clothing
- 71Mens Furnishings and Accessories
- 72Ladies Clothing
- 73Ladies Lingerie/Accessories

Supplier Requirements

- 74Boys
- 75Girls
- 76Infants/Toddlers

4. MERCHANDISE SHIPPED FLATPACK TO REMAIN FLAT PACK; i.e., VENDOR PREPACKS (ONLY WHEN SPECIFICALLY AUTHORIZED BY THE EXCHANGE)

a. Do not mix orders in a carton. Any inner carton must be packed according to the lowest distribution unit (LDU) specified in the order (2/12, 3/12, 4/12, 6/12, 12/12) and one size to an LDU. Colors can be assorted or solid pack. Each carton shipping label must be marked with the line item number from the Exchange order. Only one item will be packed in a carton. Repack is not authorized.

b. Each carton must clearly show the complete order number, number of cartons in the shipment (1 of 20, 2 of 20, etc.) and a two-digit designator for the type of merchandise as follows:

- 70Mens Clothing
- 71Mens Furnishings and Accessories
- 72Ladies Clothing
- 73Ladies Lingerie/Accessories
- 74Boys
- 75Girls
- 76Infants/Toddlers

c. Each carton must be packed with a full size scale assortment as specified in the order. For example, if the order calls for:

- 30 units of redsmall
- 60 units of redmedium
- 30 units of redlarge
- 30 units of blue.....small
- 60 units of blue.....medium
- 30 units of blue.....large
- 30 units of whitesmall
- 60 units of whitemedium
- 30 units of whitelarge

An acceptable prepack carton would contain:

- 1 red small
- 2 red medium
- 1 red large
- 1 blue small
- 2 blue medium
- 1 blue large
- 1 white..... small
- 2 white..... medium
- 1 white..... large

5. MERCHANDISE SHIPPED FLATPACK TO BE REPACKED

a. Do not mix orders in a carton. Sizes must be clearly separated in the carton. Colors must be separated within each size in the same sequence. Each carton shipping label must be marked

with the line item number from the Exchange order. Only one item will be packed in a carton. Repack is not authorized.

b. The outside of each carton must clearly show the complete 10-digit order number, number of cartons in the shipment (1 of 20, 2 of 20, etc.) and a two-digit designator for the type of merchandise, as follows:

- 70 Mens Clothing
- 71 Mens Furnishings and Accessories
- 72 Ladies Clothing
- 73 Ladies Lingerie/Accessories
- 74 Boys
- 75 Girls
- 76 Infants/Toddlers

c. Sizes must be separated within each color in the same sequence.

6. FOOTWEAR - Unless other instructions accompany the order, footwear must be packed according to the order size scale, in a single carton per size scale. Each carton shipping label must be marked with the line item number from the Exchange order. Only one item will be packed in a carton. Repack is not authorized. The outside of each carton must clearly show the complete 10-digit order number, number of cartons in the shipment (1 of 20, 2 of 20, etc.) and a two-digit designator of 77 – FOOTWEAR.

7. ANY ADDITIONAL LABOR/MATERIAL COSTS - incurred by the FDF to correct an order not in compliance with the applicable terms and conditions will be charged back to you.

SECTION 7. REPLENISHMENT

SECTION 7A INVENTORY ADJUSTMENTS

Exchange inventory will not exceed the overall stock-to-sales ratio agreed upon by the you and the Contracting Officer. Ensure that only models/styles colors and required sizes on a store's plan-o-gram module are shipped when assisting with store ordering. Accept undamaged merchandise for replacement on an item-for-item basis, when necessary, to ensure the selling facility has a balanced selection of sizes, colors and models/styles consistent with the store's module. Disposition of merchandise that exceeds the agreed upon stock-to-sales ratio is your responsibility and you will bear the risk of loss upon shipment, cost of insurance, if any, and transportation.

SECTION 7B SERVICE LEVEL AGREEMENT (SLA)

1. Supplier will provide personnel to perform services required by and agreed to by the Contracting Officer. Supplier will provide the Contracting Officer with the name, telephone number and Area of Responsibility (AOR) for representatives who will perform service in Exchange activities. Representatives must have proper identification (ID). Individuals without proper ID will not be admitted to Exchange facilities. Agreement that any person who is unacceptable to the Contracting Officer will not be used to perform SLA service as required. HQ will provide Exchange facility managers with a list of the Supplier's representatives.

2. SLA services to be provided are:

a. Representatives visit in each participating activity with mutually agreed frequency and agreed times, as approved by the Contracting Officer. The agreed frequency will be the minimum visit frequency. Activities with higher sales volumes may require more frequent visits; i.e. weekly. Even more frequent visits may be required for activities with the highest retail sales volumes. Visits will correspond to the approved schedule. Approved schedules will be provided the applicable activities. These activities may take order action if the representative fails to appear within 48 hours of the scheduled visit.

b. The representative will report to the activity manager immediately upon arrival, present their ID and sign in.

c. The representative will report, overstocks, unusual sales and aged, deteriorated or damaged stocks to the activity manager and the Contracting Officer.

d. The representative will remove from stock any defective, aged or excess merchandise and include with the Supplier's merchandise that the Exchange may have removed. The representative will determine if the items are to be destroyed or returned. If the representative chooses to destroy the merchandise, they will witness the destruction and sign a charger voucher. The representative will sign a charge voucher for merchandise being returned. If the Supplier's return labels are used, the representative must have the labels on-hand for immediate use. Unless otherwise stated, risk of loss will pass to the Supplier upon shipment. The cost of return, to include transportation and any insurance, will be at the Supplier's expense.

e. The representative will assist the Exchange in the display of merchandise within space allocations. Exchange personnel will be informed of product improvements, proper application or use of product and instructed in improved selling techniques.

f. Additional representative services might include inventory scanning, in store straining for associates, product demonstrations, stocking merchandise, selling merchandise, Plan-o-Gram assistance, customer assistance, checking date sensitive merchandise, help set weekly SPS & price cuts, and solve issues with activity managers on a local level.

SECTION 7C STOCK STRUCTURE/AUTHORIZED ORDERING ACTIVITIES

1. All items are coded to correspond to a facility's/store's classifications. Do not ship items to a store which are not in the authorized stock structure for that facility. For example, an item coded "D" may be stocked in any facility/store classified as S, A, B, C or D. B-coded items may be stocked in any facility/store classified as S, A or B, but not in C or D facilities/stores. An item coded "R" may be stocked in any retail facility. F-coded items may be stocked in any food facility. Items coded "RF" may be stocked in both.

2. Items authorized for purchase under this contract and facilities/stores authorized to stock specific items are listed in an Inventory Management Purchase Order (IMPO) Catalog. The Supplier will not ship any items which are not in the authorized stock structure for that facility.

SECTION 8. TAX EXEMPTION CERTIFICATE

Articles described herein are either for use of the Exchange or for resale in foreign countries or possessions of the U.S., and when purchased for resale, these articles will be sold or disposed of in a foreign country or possession of the U.S. and will not be returned to the U.S. before such resale or other disposition, and are accordingly exempt from all applicable taxes imposed on such articles pursuant to the Internal Revenue Code. **(Not for shipment to Alaska or Hawaii.)**

SECTION 9. DUTY DRAWBACK

SECTION 9A FOR CONTRACTORS AGREEING TO IMMEDIATE PRICE REDUCTIONS

The price for merchandise purchased on this order includes a price reduction for refundable customs duty and/or federal excise tax less the cost of claim processing. The Exchange will execute the required waiver(s) and certification(s) of export upon submission of documents covering claims.

Note: The following paragraphs relate to the reclamation of duty when the Exchange subsequently exports products purchased from the supplier for which the supplier paid import duties. The Exchange can, with your help, reclaim the duty component from U.S. customs in instances where we have exported your products outside the U.S.

SECTION 9B DUTY DRAWBACK

a. Drawback is a refund of 99% U.S. Customs duties paid on imported goods that have then been exported. The program, administered by Customs Border Patrol (CBP), is detailed in [Drawback Statute 19 USC 1313](#) and [Custom Regulations 19 CFR part 191](#).

b. Product manufactured overseas is imported, customs duty is paid by the supplier and then in the course of business, the duties are passed on to the Exchange as part of the selling price defined as the refund or remission, in whole or in part, of customs duty, fee or internal tax which was imposed on imported merchandise under [19 C.F.R. § 191.2\(i\)](#).

c. The Exchange exports a large amount of product overseas in support of the global military community. Supplier partners play an important part in supporting our military community when orders are placed for product subject to paid duty is bought by the Exchange and then exported. In the course of business, the duty paid is passed on to the Exchange as part of the selling price. As a result, the Exchange participates in the U.S. Customs Duty Drawback program to maximize savings and support our global mission. To have an effective program, suppliers are required to provide a manufacturer contact as well as necessary documents to support a duty drawback claim. The required documents are as follows:

- (1) Completed Delivery Certificate for Purposes of Drawback ([Customs Form 7552](#))
- (2) Copy of the pertinent Entry Summary ([Customs Form 7501](#))
- (3) Commercial Invoice

d. The Exchange values the relationship with our supplier partners and understands import data and any other information involved in this program is sensitive. To insure and provide supplier data confidentiality and security, the Exchange utilizes the services of a third party Duty Drawback Broker. Currently, the Exchange uses Comstock & Theakston as our drawback broker. All documentation will be submitted to Comstock & Theakston at the following address:

Supplier Requirements

Comstock & Theakston, Inc.
466 Kinderkamack Road
Oradell, NJ 07649
(201) 967-1220

e. Any questions should be addressed to the Exchange Import Compliance Department at dutydrawback@aafes.com.

SECTION 10. INVOICING AND PAYMENT

1. INVOICING PROCEDURES

a. Questions concerning invoicing and payment should be directed to the Finance and Accounting - Controller/Accounts Payable (FA-C/AP) Office. Invoice status can be viewed online at <https://partners.aafes.com/EPOL/Login.aspx>. If Internet access is not available, fax inquiries to 214-465-2900. For Exchange Online orders see [Section 10, paragraph 1d](#).

b. To prevent fraud and reporting discrepancies to the Internal Revenue Service (IRS), the Exchange requires the attached W-9 form (see [Figure 3](#)) to be submitted prior to activating/establishing a vendor code within FA-C/APs system. Please ensure the vendor name and address appears on the W-9 as filed with the IRS. FA-C/AP will verify/validate the information on the IRS website. Any discrepancy will be returned for correction.

c. To be considered a proper invoice for Prompt Payment Act purposes, a separate numbered invoice is required for each order or part of an order. Do not duplicate an invoice number used in prior billings. The company named on the order must submit the invoice. Invoices must be sent via EDI 810. Once invoices are sent electronically, do not submit paper invoices (see [Section 10, paragraph 1d](#), for Exchange eCommerce invoicing exceptions). **Each invoice must contain the following information:**

(1) **Invoice number** – Each invoice will have its own unique number. Do not recycle invoice numbers.

(2) **Invoice date** – The invoice date cannot be earlier than the order ship/delivery date. Invoices dated earlier than the ship/delivery date or improper for any other reason will be returned.

(3) Delivery Order (DO) number, vendor order number (VON) or PO number.

(4) The Exchange-assigned vendor ID (procurement number from POs).

(5) DO/PO line number, item description, UPC and quantity shipped/delivered for each item.

(6) Line item cost for EDI transmissions.

(7) Currency code if other than U.S. dollars.

(8) Shipping, payment and discount terms; distribution allowance; special allowance, in dollars.

(9) Packing, palletizing and crating charges, if reimbursable. Reimbursable charges must be repaid. State “packing and crating charges” and add to the total cost of the invoice. If these charges cannot be included, submit a separate packing, palletizing and crating invoice. The invoice must cross-reference the merchandise invoice and include the order number.

d. Invoices for Exchange Online orders should be submitted through VendorNet within three days of shipment. Each PO must be invoiced separately. VendorNet will process the invoice to the Exchange using the online 10-digit customer order number. See the [Exchange Partners Online](#) site to review payment information for online orders (the 10-digit customer order number must be used in the Partners site instead of 10-digit PO number). Any invoicing exceptions, such as additional shipping charges or short payments, must be submitted on a paper invoice to APIInvoices@aafes.com using the 10-digit customer order number rather than the 10-digit PO number.

e. A correcting invoice or credit memo must be so marked; cross-reference the merchandise invoice and include the PO/DO number.

f. Mark meat or meat food product invoices: INVOICE FOR MEAT OR MEAT FOOD PRODUCTS–EXPEDITE. Mark dairy product, edible fat or oil, or food product prepared principally from edible fat or oil invoices: INVOICE FOR DAIRY, FATS or OIL PRODUCTS–EXPEDITE.

2. IMPROPER INVOICES

a. Invoices with errors, including those that do not meet the above invoicing procedures and/or those with cost price discrepancies (invoice cost greater than PO cost), or invoices for quantities greater than ordered, will be returned to the Supplier unpaid, indicating the reason(s) the invoices are improper.

b. A corrected invoice must be submitted. Payment terms will be suspended until receipt of a proper invoice. For discount terms, the corrected invoice must be submitted with a new invoice date.

3. PAYMENT PROCEDURES

a. **The Exchange makes payments to all suppliers via Financial EDI (FEDI). Only in rare and extenuating circumstances will the Exchange issue a check for payment.**

b. A proper invoice is considered received, and the net payment period begins, on the later of the following dates:

(1) The date the invoice is actually received by the designated paying office if, at the time of receipt, the Exchange marks the invoice with the date received.

(2) The date of the invoice if the designated paying office, at the time of receipt, fails to mark the invoice with the date received.

(3) The date an EDI invoice is received by the Exchange EDI data bank, if received during normal business hours; otherwise, the next business day.

(4) The seventh day after the date on which, according to the terms and conditions of the contract, the property is actually delivered or performance of the service is actually completed, unless:

(a) The Exchange has actually accepted such property or services before such seventh day; or

(b) The date of actual acceptance, if an acceptance period is specified in the contract.

c. Acceptance occurs only when an authorized Exchange official accepts the goods or services.

(1) To determine if payment is timely, each calendar day is counted. Payment due on a Saturday, Sunday or U.S. holiday may be made the next business day without incurring late payment interest.

(2) Payment is considered to be made on the date of the check or the date of receipt of an electronic fund transfer (EFT) (see [paragraph 4](#)) no matter the date the financial institution posts the transfer or the date withholding is initiated.

d. **Exchange payment terms are as follows.**

(1) **Special item categories:**

(a) Meat and meat food products, as defined by the [Packers and Stockyard Act of 1921, 7 United States Code \(U.S.C.\) 182\(3\)](#), including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fish (fresh or frozen), fresh eggs and any perishable egg product. Payment will be made within seven days after delivery.

(b) Perishable agricultural commodities, as defined in the [Perishable Agricultural Commodities Act of 1930, 7 U.S.C. 499 a \(4\)](#). The term “perishable agriculture product” includes fresh fruit and fresh vegetables of every kind, whether or not frozen or packed in ice, and cherries in brine. We will make payment not later than 10 days after delivery, unless the contract specifies otherwise.

(c) Dairy products, as defined in the [Dairy Production Stabilization Act of 1983, 7 U.S.C. 4502\(e\)](#). It includes liquid milk, cheese, certain processed cheese products, butter, yogurt, ice cream, edible fats or oils and food products prepared principally from edible fats and oils, such as mayonnaise, salad dressings and other similar products. We will make payment not later than 10 days after receipt of a proper invoice.

(2) **End of Month (EOM) or Proximo (PROX) Terms** – When the contract specifies payment terms based upon an EOM term, the 25th day of the calendar month will establish the EOM. When the contract specifies PROX, the payment term begins on the first day of the next calendar month. These terms are illustrated below, using invoice receipt date:

(a) **Net 10 EOM** – If a proper invoice is received on or before the 25th day of the month, then payment is due on the tenth day of the next calendar month. If a proper invoice is received after the 25th day of the month, then payment is due on the tenth day of the second calendar month.

(b) **Net 10 PROX** – Payment is due on the tenth day of the calendar month following the calendar month that the Exchange receives a proper invoice. Depending upon date of receipt, the length of the terms can vary from 10 days (invoice received on the last day of the month) to approximately 40 days (invoice received on the first day of the month).

(3) For items other than those specified as special item categories, if the contract does not specify when net payment is due:

(a) However, the contract specifies a prompt payment discount period of less than 30 days; net payment will be due 30 days after receipt of a proper invoice.

(b) However, the contract specifies a prompt payment discount period of 30 days or more; net payment will be due 30 days after the prompt payment discount period ends.

(c) However, the contract has no prompt payment discount; net payment will be due 30 days after receipt of a proper invoice.

(4) The Exchange will send payment to the Vendor Master File (VMF) address. Send a request, signed by a responsible official, to the Contracting Officer if payment should be submitted to a different address or financial institution or factor. The request must clearly state the new address and the address being superseded. The change is normally effective 30 days after approval by the Contracting Officer and with the understanding that no legal obligation is imposed on the Exchange for failure to make payment to the new payee/address. You may revoke such changes in a similar manner.

(5) Invoice payment questions should be directed to the paying office designated in the order. Wait at least 10 days after payment is due before contacting the paying office. Proof of delivery may be requested by the paying office for FOB destination contracts if payment of the invoice in question cannot be found. The inquiry concerning unpaid invoice or other payment discrepancies must include the following data:

- Vendor Name
- Vendor Remit to ID (if known)
- Unpaid Invoice and explanation of Payment Discrepancies
- Order No. (if applicable)
- Invoice No.
- Date of Invoice Charge/Credit Voucher No.
- Invoice Amount
- Check No. (if applicable)
- Ship To Address

(6) Any interest penalties owed will be computed according to the [Prompt Payment Act, 31 U.S.C., Chapter 37](#).

(7) A discount for prompt payment can be taken by the Exchange if the discount payment is made within the discount period specified. The discount period begins on the date of the invoice. Computation for discounts begins with the date of invoice; computation for net payment begins with receipt of a proper invoice, as described above.

4. PAYMENT BY ELECTRONIC FUNDS TRANSFER

a. Method of payment:

(1) All payments by the Exchange under this contract shall be made by EFT. The term "EFT" refers to the funds transfer and may also include the payment information transfer.

(2) If the Exchange is unable to release payment by EFT, the Supplier agrees to request the Exchange to extend the payment due date until such time as the Exchange can make payment by EFT.

b. The Exchange shall render payment using the EFT information provided. In the event that the EFT information changes, you shall be responsible for providing the updated information to the Exchange, no less than 30 days prior to the effective date.

c. If your EFT information in the Exchange database is incorrect, payment need not be rendered under this contract until correct EFT information is entered; and any invoice shall be deemed an improper invoice for the purpose of prompt payment under this contract.

d. If you have identified multiple payment receiving points in the Exchange database and have not notified the Exchange of the payment receiving point applicable to this contract, payment will be made to the first payment receiving point listed. The payment or disbursing office shall forward available payment information to you. The Exchange shall send the payment information to the remittance address contained in the database.

5. PROOF OF SHIPMENT

a. Retain the proof of shipment on FOB origin shipments and proof of delivery on FOB destination shipments for three years after completion of the contract. In the event you fail to provide a requested proof of shipment, you will be liable for any loss or costs to the Exchange.

b. The following is a list of acceptable proof of shipment documents:

(1) Original (B/L), properly receipted by the carrier for all shipments made via railroad, motor carrier, freight, steamship or air.

(2) Original post office forms bearing canceled postage, signed and dated by the post office, indicating number of packages and destination. The Exchange does not reimburse "insured" fees.

(3) Parcel delivery service pickup record-computer manifest, or the equivalent, which will be required by the Exchange (unless exceptions are made in advance by the Contracting Officer), and signed and dated by the driver. Must reference number of packages and destination.

SECTION 11. FINE JEWELRY

1. **STONES INSPECTION/QUALITY ASSURANCE** - Stones may be removed from their mountings for inspection. The Exchange will return stones for replacement/resetting. If the item is defective, provisions covering defective items apply with prior notification to the vendor, regardless of the dollar amount. Defective/returned merchandise will be sent from the Exchange facility to the vendor. This merchandise will be shipped with return freight charges billed back to the vendor. If the item is acceptable, the Exchange will pay for packing, remounting and round trip mail charges. The Exchange may use the Gemological Institute of America (GIA) for inspection or verification inspection service during any quality disputes. GIA inspections will be final and binding.

2. **ITEM DESCRIPTION – INVOICE** - Invoice item descriptions must include the **exact size** of the center stone supplied for items with major stones. This is a requirement for paper invoices only; the requirement is excluded for EDI invoice transmissions.

3. **REINVOICE INSTRUCTIONS FOR DEFECTIVE/NONCONFORMING ITEMS** - Defective/ nonconforming items or lots will be returned for repair, replacement or credit. A charge voucher for the defective/nonconforming jewelry will accompany the shipment. Upon return of the repaired/replaced items or lots to the Exchange, re-invoice using the original order number and referencing the charge voucher number.

4. **PACKING**

a. In addition to [Section 6B, General Instructions](#), the following applies:

b. Pack items in boxes suitable for registered mailing. Enclose each item in a plastic bag. The plastic bags will be equal to or better than Mason Box Company, 2" x 3" or 3" x 3" mini-grip, see-through, with zipper closure. If more than one style is ordered, like items will be consolidated in a paper envelope marked with the Exchange style number.

c. Ship chained items in plastic bags, with .5" of the chain draped over the outside of the bag to prevent knotting. Price tickets will be attached to the chain and must be readable without removal from the plastic bag.

d. Fasten pierced earrings to cards and place in plastic bags. Price tickets will be attached to the earring post on the back of the card. The ticket must be readable without removal from the plastic bag.

5. **MARKING** - In addition to [Section 6C, Marking](#), instructions in the following applies: The order number must be clearly identified on the outside of the shipping box. If more than one order is included, items for each order will be separately packaged in the shipping box and each order number shown on the box. If more than one shipping box is used, each box will be identified in numerical sequence (for example, 1 of 3, 2 of 3, and 3 of 3). Replacement shipments will reference the charge voucher number and the original order number.

6. **TAXES/DUTIES/DRAWBACKS** - If, on a retroactive or current basis, the Supplier is relieved from payment of any tax or duty included in the contract price, the Exchange will be refunded and/or the contract prices correspondingly reduced. Certify that no drawbacks of duties or refunds or remission of taxes have not been made, nor will any be taken on merchandise for the Exchange's overseas resale. Assist the Exchange in processing requests for drawbacks or refunds.

SECTION 12. FOOD AND BEVERAGE

12A GENERAL

1. Products will originate in an establishment listed in the Department of Defense (DoD) [Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement](#), or from an establishment approved or exempt, in accordance with Army Regulation (AR) 40-657, [Veterinary/Medical Food Safety, Quality Assurance and Laboratory Service](#)/Air Force Instruction (AFI) 48-116, [Food Safety Program](#). The directory is maintained (WEB based) by the U.S. Army Public Health Command, Aberdeen Proving Ground Maryland.

2. Products shipped must be from the latest date of pack. However, seasonally packed products will not have been in storage more than 12 months. Identify food in Groups I, III, V, VI and IX with a readable date. Use either date of production, date of processing/pasteurizing or a "use by" or "pick up" date. For shelf-stable items, open-dating is preferred, but coding is acceptable. Suppliers who do not use open-dating will give the Contracting Officer a code "key" explaining the actual date of production or processing within 30 days following the initial order. Ship products supplied against this contract from the latest pack. Prepackaged food items may be open- or closed-coded according to regular commercial practices. When closed-coding is used, provide the Contracting Officer a code key explaining the information coded and the product shelf life.

3. Additional charges attributed to Saturday, Sunday and holiday overtime rates for delivery are reimbursable, if incurred following delivery instructions.

a. **Protect from heat.** Ship and store under 70° Fahrenheit (F) (21.1° Celsius [C]).

b. **Chill.** Ship and store under refrigeration at 32°F to 40° F (0°C to 4.4°C).

c. **Frozen.** Ship and store under refrigeration at 0°F (-17.7°C) or lower.

4. Foreign nations may require certification on all meats, meat by-products, poultry, poultry products, fish, seafood products and dairy and egg products. This certification attests the products have been placed in cans or hermetically sealed packages, then processed at 100°C (212°F). Provide a copy of this certificate to the Contracting Officer, if requested.

5. Foreign nations import certification requirements for meats, meat by-products, poultry, poultry products, fish, seafood products and dairy and egg products for military shipments differ from those for commercial shipments. Required certification is normally provided by in-plant USDA or U.S. Department of Commerce (USDC) personnel when containers are source-loaded. Items sent to port for container loading may be certified by military veterinary personnel. Suppliers must be aware of import/export certification requirements and FDA Certification and Bioterrorism Act Registration requirements and ensure compliance, as required. Ongoing updates to these requirements can be found at the [USDA Food Safety and Inspection Service Site](#). A copy of the certificate must accompany the shipment when shipped to the Exchange consolidation facility. The original certificate must be sent via Fed Ex to:

Army & Air Force Exchange Service
ATTN: LG-T (Export Supervisor)
3911 S. Walton Walker Blvd.
Dallas, TX 75236

6. Ensure that both you and your food supply sources are compliant with current Federal, FDA, DoD, local, state and Military Force Protection requirements. These include, but are not limited to, Facility Registration in accordance with (IAW) [FDA Bioterrorism Act, 2002](#), conducting appropriate background checks on drivers delivering to a military installation, and ensuring every effort is made to protect food from intentional or accidental contamination during storage or shipment.

7. Europe wine procurement must be in accordance with Europe (EU) labeling regulations. New EU wine labeling regulations, as of 1 January 2003, require specific information such as alcoholic strength, lot number, name of the bottler, use of certain optional terms dealing with production methods, traditional expressions and regulation of the names of the vineyard or the vintage year, to include the language in which the terms are used. "Vintage" is, for example, only reserved in regards to its use for liqueur wines, but there is no restriction on its use for ordinary still wines. The rules distinguish between traditional expressions that fulfill a set of specifications and those that relate wine to a certain geographical indication. Provisions applying to third country wines marketed in EU are also outlined (reference [Europe Labeling Commission Regulation, Title V, CH II, Annexes VII, VIII](#)).

8. The Exchange requires the freshest inventory available. Short shelf life items (4 months or less) must be no older than 10 calendar days at the time of shipment. Shelf life items (5 to 9 months) must have 75% shelf life remaining at the time of shipment. Shelf life items (10 months or more) must have 50% shelf life remaining at the time of shipment. For annual pack items, products will be from the latest seasonal pack available.

9. Items normally shipped at room temperature should be protected from freezing.

Supplier Requirements

10. Take all measures necessary to provide safe and unadulterated products. At a minimum, the supplies delivered under this contract shall be transported in delivery conveyances maintained to prevent tampering with and/or adulteration or contamination of the supplies and, if applicable, equipped to maintain a prescribed temperature. All delivery vehicles will also be subject to inspection at all times and at all places by the Contracting Officer's Representative, Post Veterinarian, and/or Law Enforcement officials. When the sanitary conditions of the delivery conveyance have led, or may lead, to product contamination, adulteration, constitute a health hazard, the delivery conveyance is not equipped to maintain prescribed temperatures, or the transport results in products "unfit for intended purpose," supplies tendered for acceptance may be rejected without further inspection. As the holder of a contract with the DoD, it is incumbent upon you to ensure that all products and/or packaging have not been tampered with or contaminated. Delivery conveyances will be locked or sealed at all times, except when actively loading or unloading. Unsecured vehicles will not be left unattended. All incoming truck drivers will provide adequate ID upon request. In the event of an identified threat to an installation, or a heightened Force Protection/Homeland Security Threat Level, you may be required to adjust delivery routes to minimize vulnerability risks and enable direct delivery to DoD facilities.

12B SHIPPING AND MARKING

1. Annotate on the (B/L): "Transportation hereunder is for the U.S. Government and the actual cost paid to the carrier(s) by the shipper is to be reimbursed by the Army and Air Force Exchange Service-Europe, an instrumentality of the U.S. Government."
2. Label dangerous cargo in accordance with international regulations.
3. Provisions in [Section 6, Logistics](#), apply.
4. For consolidation and reshipment to overseas destination, assembly rates apply.

12C ADDITIONAL REQUIREMENTS

1. The goods and/or services listed are to be delivered at a price exclusive of Value-Added Tax (VAT), under arrangements agreed upon between the appropriate U.S. authorities and [Her Majesty \(HM\) Revenue and Customs \(HMRC\)](#). "I hereby certify these goods and/or services are being purchased for U.S. official purposes only." (Applies to contracts/POs for United Kingdom vendors.)

SECTION 13. eCOMMERCE – VIRTUAL VENDORS

SECTION 13A DELIVERY ORDERS

1. Individual online drop ship and Specialty store orders will be sent via an EDI or web-based connection through [VendorNet®](#).
2. Process orders for shipment immediately upon receipt of the order and ship within negotiated time frames (i.e., Exchange eCommerce standard is ship within 2 business days and invoice within 3 business days of shipment unless specifically negotiated otherwise). Negotiated shipment time frame is on the Final Selection/Procurement Data Log. If you cannot ship within the negotiated time frames, provide the Exchange Drop Ship Management Team (DSMT) with an explanation for delay, along with a firm ship date. The DSMT has the option to either cancel the order or accept the revised ship date. If the DSMT requests cancellation of the order, confirm cancellation of the order in the VendorNet system within 24 hours. If no cancellation notification is received within 24 hours, the order will be considered cancelled and the Exchange will not be responsible for any shipments made against the order.

3. Orders from the DSMT are to be accepted via the VendorNet system.

SECTION 13B SHIPPING/PACKING INSTRUCTIONS

1. Orders shipping to a CONUS address may be shipped via United Parcel Service (UPS), FedEx, Stamps.com, USPS or other applicable third party carrier. Provide tracking numbers to the DSMT through VendorNet for all carriers.

2. If you receive orders via VendorNet, a copy of the packing slip will be included with each shipment.

3. All merchandise going to an APO/fleet post office (FPO) address must be mailed via USPS, UPS Mail Innovations, Stamps.com, or FedEx SmartPost. Mail merchandise, through the USPS, via Parcel Post, Air or Registered, to the recipient address shown on VendorNet.

NOTE: Individual orders valued over \$50.00 will be insured with the post office for the dollar value shown on the shipping ticket. Orders addressed to the State Department at zip code 20520 or 20521 will not be sent insured or registered mail.

4. If shipping terms are origin versus destination, an original proof of shipment is required for each order sent insured or registered mail. Use [Post Office Form 3800](#), [3806](#), [3813-P](#) or [3877](#) for proof of shipment. A postal official, where the parcels are mailed, must stamp and sign the form and the following information must be included:

- a. **Number of Articles** – Insured or Registered Number, if any.
- b. **Mailing address** – shown in VendorNet.
- c. **Postage** – Amount Paid.
- d. **Fee** – Amount Paid.
- e. **Remarks** – Order/PO number shown in VendorNet.

5. The shipping notification must include the date mailed and any insured or registered number.

6. All merchandise must conform to the applicable packing requirements in the current [Domestic Mail Manual C010.2.0](#). You will be charged for damaged merchandise resulting from nonconformity with packing requirements. Packing is also subject to Contracting Officer approval. If approved packing is not sufficient to prevent damage, the Contracting Officer may withdraw approval and require acceptable packing.

SECTION 13C INVOICING

See: [Section 10, Invoicing and Payment](#).

SECTION 13D RETURNS

The Exchange's [Returns/Refunds Policy](#) describes options for customers returning or exchanging items purchased through Exchange stores or the Exchange Online at [shopmyexchange.com](#) unless subsequent agreement is negotiated. Credit the Exchange with the purchase price for returned goods.

SECTION 13E NOTIFICATION OF REGULATIONS CHANGE

Provide timely notice in writing to the applicable Exchange Contracting Officer in the event that laws or regulations change relating to the shipment of Exchange Online merchandise to certain zip codes or across certain state lines.

SECTION 13F SPECIAL INSTRUCTIONS

1. Partial shipment is not authorized without the prior written approval of the Contracting Officer.
2. VendorNet shows open Exchange Online orders all the time. Update the open orders with the date shipped, carrier, tracking information, and invoice number. For orders being held, provide the reason for hold and the scheduled ship date using VendorNet's estimated ship date change procedures. Complete these updates on a daily basis.

Note: Orders will remain open until the invoice is received and processed for payment (i.e., Exchange eCommerce standard is ship within 2 business days and invoice within 3 business days of shipment unless specifically negotiated otherwise).

3. EDI Suppliers using VendorNet to provide notices for delayed shipping on POs will ensure POs are updated using VendorNet's estimated ship date change procedures including delayed shipping information within the negotiated timeframe for prompt customer notification.
4. Suppliers using VendorNet will ensure all orders are shipped within negotiated timeframes; and, if for any reason orders cannot be shipped within the negotiated timeframe, update VendorNet using the estimated ship date change procedures and provide for the delayed shipment, to include a revised shipping date if the item is just on backorder. If the PO is for a discontinued item, it will be noted as such in VendorNet.

SECTION 13G WARRANTY OF AVAILABILITY

Warrant that your items offered through the Exchange Online at shopmyexchange.com will be available without change and in the quantities ordered. Failure will make you liable for costs incurred in getting a substitute item of equal or better value or, in the alternative, for lost revenues. Lost revenues will be the difference between the contract purchase price and the Exchange ONLINE sell price and will include administrative costs. Administrative costs include, but are not limited to, online costs, hourly costs to tell customers of items not available, etc. This warranty is in addition to any other provisions in this contract. The Contracting Officer must approve any change to the items sold hereunder.

SECTION 13H VENDOR SHIPMENTS TO EXCHANGE WAREHOUSES

Ensure that merchandise shipped to Exchange Online distribution warehouses will be individually prepackaged to the extent possible. Packing must conform to the applicable packing requirements in the current [Domestic Mail Manual C010.2.0](#). All apparel items must be individually poly-bagged to avoid damage. You may be charged for damaged merchandise resulting from non-conformity to packing requirements.

SECTION 13I VENDORNET® FOR DROP SHIP VENDORS

Effective 1 September 2013, online drop ship vendors are required to utilize the [VendorNet® Drop Ship Manager](#) in order to automate drop ship and to communicate between the Exchange and the vendor. [VendorNet®](#) is a subscription service the vendor must subscribe to for processing Exchange Online orders. VendorNet® will contact the vendor within 30 days of notification from the Exchange. For further Exchange Drop Ship Vendor requirements visit [VendorNet®](#)

Supplier Requirements

SECTION 13J VIRTUAL VENDOR CUSTOMER PRIVACY POLICY

1. All Virtual Vendors must use some form of encryption mechanism (for example, Secure Sockets Layer [SSL] or Pretty Good Privacy [PGP] encryption) to protect Exchange online customers' sensitive information when shopping on their Internet site(s). Sensitive information, such as credit card information, must be encrypted before it is sent over the Internet. Exchange information must be stored on secured computer servers in a controlled, secure environment, protected from unauthorized access, use or disclosure.

a. Written procedures must be in place for notifying the Exchange within 8 hours, and all Exchange online customers within 24 hours, on any security incident that might adversely affect the online customer, measured from when you become aware of the incident. Security incidents include, but are not limited to, the following:

- (1) Web servers/site compromise
- (2) Stolen credit card information
- (3) Identity fraud

(2) You are responsible for safeguarding Exchange online customers' information and may be held liable if the best common security practice was not adhered to and negligence can be proven.

b. It is prohibited to ask Exchange online customers for their Social Security Numbers (SSN), and to ask them for personal information not necessary to complete the transaction.

c. Written consent must be obtained for the collection, use and sharing of a child's (age 12 and under) personal information online, from the child's parent.

d. Exchange online customers must be provided the option and ability to accept or decline cookies. Online customers must be informed of the type of cookie that will be installed on their computer and the information it will be collecting when the visiting site(s). Information allowed to be collected and analyzed includes the Internet Protocol (IP) address used to connect the Exchange online customer's computer to the Internet, login, e-mail address, password, computer and connection information (such as browser type and version), operating system and platform, purchase history, the full Uniform Resource Locator (URL) that redirects to a secure shopping environment from the Exchange website (including date and time), cookie number, products viewed or searched for, Exchange online customer preference, shopping history and phone number. Do not sell, rent or lease customer lists that include Exchange online customers to third parties without advanced written consent of the Exchange. Exchange online customer data must only be shared with other trusted partners to perform statistical analysis that will provide benefits to all parties involved. The use of Exchange online customers' information is prohibited except to provide quality service, the confidentiality of such information is required to be maintained.

e. Do not add Exchange online customers to your mailing list without the customer's consent, but use an "opt in" system for Exchange online customer consent for mailing lists and sharing of such information with others. Exchange online customers must be given the option to request to have their information removed from your mailing list and to modify, correct or update their information on your database.

f. Exchange online customers' personal information may be disclosed, without notice, only if required to do so by law or in the good faith belief that such action is necessary to:

Supplier Requirements

(1) Conform to the edicts of the law or comply with legal process served on the Exchange or the site.

(2) Protect and defend the rights or property of the Exchange, or an Exchange website.

(3) Act under exigent circumstances to protect the personal safety of users of the Exchange, its websites or the public.

g. Your security and privacy practice will be reviewed on a quarterly basis, and information regarding your specific connections will be updated, as necessary. Not conforming to this policy and the [Privacy Act of 1974](#) will result in the removal of your merchandise/link from the Exchange website.

2. This policy will remain in effect after the business relationship between the Exchange and the Virtual Vendor has ended to ensure Exchange online data will continue to be safeguarded.

Note: Questions or concerns regarding this specific policy, or Exchange general computer security policies, should be directed to the contracting officer. Exchange Online Specialty Store and Marketplace vendors will coordinate site requirements the Exchange with eCommerce team.

SECTION 14. RETAIL MERCHANDISE

SECTION 14A GENERAL

1. Merchandise must be properly labeled before shipment. Label size, fabric content and type of cleaning.
2. Pins and metal parts used on price and size tags, garments and footwear must be rustproof and Not tarnishable.
3. Clothing must bear the brand name or manufacturer's label.
4. Merchandise will be supplied according to sizes, styles and colors specified. Substitutions are not authorized without prior approval of the Contracting Officer.
5. Pre-ticket according to [Section 5, Floor Ready](#).
6. Seed price tickets according to [Section 5](#).
7. Case only price marking according to [Section 5](#).
8. Piece Goods. Each bolt must be poly wrapped. Burlap wraps for drapery and upholstery fabric are acceptable.
9. Care Labels. Label wearing apparel and piece goods with regular care information according to the Federal Trade Commission's Care Labeling Rule.
10. Use three-digit age code for Retail Price Marking ([Section 5A, Ticketing, Pricing and Garment Labels](#)).
11. Pack lamp shade and lamp base together in one box. Tag shade and base with style number. Mark Exchange stock numbers on the outer box.

12. Pack lamp shade and lamp base separately. Tag the shades and lamps with style numbers. Mark Exchange stock numbers on outer boxes. Pack and ship shades and bases in pairs or multiple pairs. Mark the lamp shade's shipping container and (B/L): "Lamp Shades – Use as Top Freight."
13. Mail and pack each item within the master case pack.
14. Notify the Contracting Officer if individual item's weight and dimensions have changed from those originally specified to HQ marketing group.
15. Apply UPCs according to [Section 3A, Price and Universal Product Code Marketing Instructions](#).
16. One English Language Instruction Booklet or Leaflet will be supplied with each item.
17. Flame-Resistant ID. Agreement to include the statement, "Flame resistant. U.S. Standard FF5-74" on an attached label, tag, or the package enclosing each child's sleepwear garment in sizes 7 through 14 is required.
18. All items listed in this contract must be manufactured in conformance with the following standards for toys: Section 40, [Exchange Retail Purchase Order Terms & Conditions](#).
19. Payments will be made and discounts shall apply upon receipt of invoice, proof/certificate of shipment, and Abwicklungsschein (required for Germany only).
20. All electrical items in this contract must be 110V, 50/60 cycle to be furnished with standard American two-prong plug ("The Association for Electrical, Electronic & Information Technologies" [VDE] approved).
21. All electrical appliances must be approved by an organization equivalent to the U.S. Underwriters Laboratories, Inc. A tag or label will be affixed to each item showing the approving organization. The UL equivalents can be found at <http://www.shopmyexchange.com/DoingBusiness/QualityAssurance/>.
22. Required electrical appliance presetting:
 - a. United Kingdom240 Volts, 50 Cycles.
 - b. Germany230 Volts, 50 Cycles.
 - c. Greece, Italy, Spain, and Turkey220 Volts, 50 Cycles.
23. One English Language Instruction Manual, guarantee/warranty card, and authorized United Kingdom guarantee repair station(s) will be included with each item.
24. One English Language Instruction Booklet or Leaflet will be supplied with each item. Guarantee/ warranty card and a list of authorized repair stations in Europe and the U.S. will also be supplied.
25. Electrical appliance will be equipped with 2-core lead flat German plug and 2 round pins.
26. U.S. flat 2-pin plug listed in UL or equivalent agency certified.

Supplier Requirements

27. All 110V electrical Christmas tree light sets must be UL approved. All 220V electrical Christmas tree light sets must be VDE approved.

SECTION 14B EQUIPMENT AND AUTOMOTIVE

1. Except for vehicles, each unit will include manuals for installation, operation, and maintenance with lists of spare parts and supplies with prices. Vehicles will include an operator's manual. Revised parts and supplies list will be sent to the Exchange as they are issued.
2. Vehicle serial numbers will be shown on individual shipping documents covering each vehicle.
3. Ship on wheels, fully assembled, unboxed, with no preparation for overseas shipment.
4. Parts supplied under superseding part numbers must be identified with old and new part numbers on invoices.
5. Partial shipments are authorized on automotive parts orders.
6. For shipment of wheeled vehicles, reproduce an additional copy of the (B/L) and mail to:

Army and Air Force Exchange Service, Germersheim Distribution Center
(GEDC)
ATTN: Container Control
Lingenfeldstr, Bldg 7977
Whse 7977
Germersheim, Germany 76726-0000

SECTION 15. STORE SHIPPING SCHEDULE

1. This PO/delivery order shows the total quantity of the item and styles ordered for all stores. The Store Shipping Schedule attached to this order shows the quantities to be packed and marked for each store. The size scale, if applicable, to be followed will be shown either in the handling of the schedule or will be attached to it.
2. All merchandise ordered and shipped under the direct delivery program must be pre-ticketed, in accordance with [Section 15](#).
3. The quantity shipped to each store, as detailed in the attached Store Shipping Schedule, must be packed separately and the cartons containing these individual store requirements must be marked with the store name and number.
4. Merchandise marked for transshipment to stores will include the seven-digit facility number in addition to the facility name to facilitate re-forwarding.
5. Ensure each of the following instructions is adhered to:
 - a. Break the total quantities down by size, color, and style for each of the stores.

- b. Pre-ticket each of the items in the shipment and place one ticket on the outside of cartons for that store.
 - c. Properly mark each carton with the store name and number and the total number of cartons for that store.
 - d. Indicate the actual quantity shipped and the number of cases by store on the Store Shipping Schedule and insert in Carton Number 1 for each store a copy of the completed Store Shipping Schedule.
6. Do not forward separate invoices for each store; submit only one copy, with proof or certificate of shipment, for the total PO.

SECTION 16. UNIFORMS AND INSIGNIA

1. **UNIFORMS** - Fabric and completed garments will be manufactured in accordance with U.S. Army or U.S. Air Force specifications, as outlined in current applicable military specifications and Government regulations as to fabric construction, fabric shade, garment design and garment fabrication. Tailoring and construction will be equal to or better than applicable military specifications. There will be no defects adversely affecting salability from a consumer viewpoint, as determined by the Exchange. Attach the label reflecting you certificate number and applicable specification required by military regulations to each article delivered against the contract.
2. **INSIGNIA** - Warrant that you have a certificate of authority from The Institute of Heraldry (TIOH) to manufacture the items ordered.

SECTION 17. EUROPEAN ADDENDUM TO SUPPLIER REQUIREMENTS

There are different requirements for European Suppliers. This section is provided to detail those changes and identify which U.S. Suppliers Requirements, [Exchange Retail Purchase Order Terms and Conditions](#), [Supplier Requirements](#) or the accompanying Exchange PO, and what section within the document that should be changed.

SECTION 17A CLAUSE ADDITIONS FOR ACCOMPANYING EXCHANGE PURCHASE ORDER

1. **DELIVERY TERMS (JAN 94)**. The delivery term "Free Delivered" means Contractor shall deliver the items ordered (for loading, transport, customs, and drayage), at Contractor's own cost, to the destination indicated. Loss, damage, or destruction prior to receipt at destination by the Exchange is Contractor's responsibility. Except as otherwise provided in the contract, the delivery terms stated in this contract will be interpreted in accordance with "INCOTERMS 2010 Edition."
2. **CURRENCY REVALUATION (JAN 94)**.
 - a. If the currency exchange rate of the country which is the source of item(s) supplied under the contract fluctuates (increases/decreases) more than 5% against the currency exchange rate in which the Contractor is paid, pursuant to the contract for a period of fourteen consecutive days or more, the unperformed part of the contract applicable to such item(s) may either be (1) terminated without liability by either party by providing written notice of termination to the other party at least 10 days prior to the termination date; or (2) the cost price(s) may be renegotiated and adjusted to reflect the currency fluctuation.

b. The currency exchange rate(s) established in the contract or, if no rate(s) is established, the commercial exchange rate existing on the date of contract or effective date of amendment, as applicable, will be used to determine currency fluctuations.

SECTION 17B CLAUSE ELIMINATIONS FOR EXCHANGE RETAIL PURCHASE ORDER TERMS AND CONDITIONS, AND ACCOMPANYING EXCHANGE PURCHASE ORDER

- 12 – Equal Employment Opportunity
- 13 – Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era
- 14 – Affirmative Action for Individuals with Disabilities
- 15 – Convict Labor
- 17 – Robinson-Patman

SECTION 17C REPLACEMENTS FOR, SUPPLIER REQUIREMENTS

1. Replace [Section 3A, Universal Product Code or European Article Number \(EAN\) Requirements](#), with the following and rename section: 3A PRICE AND UNIVERSAL PRODUCT CODE (UPC) MARKING INSTRUCTIONS

a. **GENERAL.** Except for fashion items shipped to the Exchange Fashion Distribution Facility, all vendors are required to have either an EAN bar code or a UPC on the merchandise.

b. **EAN AND UPC CODES.** The EAN Code is a 13-digit, and the UPC Code is a 12-digit, all numeric code that will identify the consumer package and/or the shipping container.

(1) The International Article Numbering Agency is the EAN central code management agency. This agency assigns EAN numbers to companies in accordance with the numbering system they have established. Companies interested in using the EAN code should contact the agency directly at International Article Numbering Agency, Rue des Colonies, 54-BTE 8, B-1000 Brussels, Belgium.

(2) GS1 is the central code management agency for the UPC. GS1 will assign only the manufacturer identification numbers according to their rules, but will not assign the item numbers. Nor will the agency be required to maintain a listing of the second five-digit number assignments made by each manufacturer. Each manufacturer will continue to assign, control, and record its own five-digit numbers within the UPC configuration. Companies interested in obtaining [their UPC manufacturer identification number should apply directly to GS1 at http://www.gs1.org/barcodes/need_a_bar_code](http://www.gs1.org/barcodes/need_a_bar_code). Contact the GS1 office in their country.

2. Replace [Section 3B, ELECTRONIC DATA INTERCHANGE](#) with the following.

a. EDI is the electronic exchange of data between trading partner computers using standard formats. The Exchange sees EDI as the most efficient way to conduct business, it allows improved service to our customers, reduce expenses, and increase productivity. It is preferred that all Contractors receive our orders and transmit their invoices electronically. An EDI standard provides more effective communication with various trading partner computers. It avoids proprietary formats that are not compatible with each other, and avoids development and maintenance of custom programs for each company that does not use a standard format.

b. Currently, the Exchange utilizes the American National Standards Institute (ANSI) X12 standards and EDIFACT. All Contractors with the ability to receive and/or transmit documents using ANSI X12 should contact the Exchange EDI support staff at this time.

c. Should a Contractor with the ability to exchange electronic documents with the Exchange fail or refuse to begin the implementation of EDI, the Exchange will have the option to terminate our business relationship with the noncompliant Contractor.

d. [The Debt Collection Improvement Act of 1996](#) mandated all federal agencies to make payments using some type of electronic format by 2 January 1999. This includes, but is not limited to, EFT, procurement card, or direct debit. Any new contracts must include provisions for making EFT payments, provided your bank is capable. The Exchange will continue to offer support in converting manual checks to electronic payments.

e. To start the EDI process, email the EDI support staff at edirolloutrequest@aafes.com. The EDI staff can provide information on the implementation process. When the EDI that meets both our requirements is working, we will demonstrate agreement by either sending you an EDI order and your filling that order, or by you sending an EDI invoice and payment of that invoice being rendered.

3. Replace [Section 6, Logistics](#), with the following and rename section; SECTION 6 PACKING, MARKING, LABELING, AND SHIPPING

a. **GENERAL.** You will be charged for failure to follow packing, marking, labeling, and shipping instructions. In addition to the Contracting Officer, LG maintains a transportation office in Germany to assist with questions or problems when shipping merchandise. For assistance contact:

Army and Air Force Exchange Service
Germersheim Distribution Center
ATTN: Container Control
Lingenfeldstr, Bldg 7977
Whse 7977
Inside Country FAX.....0641-407-437
Outside Country FAX.....(0049)-641-407-437
Inside Germany TEL..... 0727-4947-2301
Outside Germany TEL011-49-0727-4947-2301

b. **MARKINGS.**

(1) Your labels or stencil information may be used on the shipping cartons as indicated below. Label lettering must not be less than 7mm (0.175") and labels must be affixed with waterproof glue. Stenciled lettering must not be less than 15mm (0.59") or more than 75mm (2.95") in height.

- (a) Name and address of vendor/consignor.
- (b) Name and address of shipment consignee.
- (c) Carton numbers and total number of cartons.
- (d) Weight and cube of carton.
- (e) PO number.
- (f) Item, quantity, and Exchange seven-digit CRC.

NOTE: Do not mark description or quantity on carton if items are of high value or easily pilferable. Instead, use a packing list as described in Section 6, paragraph (3).

(2) Store name and number (applicable when "MARK FOR" block is different from "SHIP TO" block on the purchase/delivery order).

(3) Various types of items require special markings and handling. When shipping fragile items, candies, canned goods, etc., mark the cartons and carrier's bill of lading/consignment note to ensure the carrier provides the required protection. Some examples are: "FRAGILE—HANDLE WITH CARE," "PROTECT FROM FREEZING," and "COOL STOW REQUIRED. KEEP AWAY FROM HEAT." **Language should be in English and in the language of the country receiving or handling the package.**

c. **PACKING LIST.** When different items are packed in a single shipping carton, or items are of high value or easily pilfered, prepare a packing list and place it inside the carton and mark the carton "packing list inside." When the packing list refers to items inside several cartons, place the packing list inside Carton Number 1 and mark all cartons, "Packing List Inside Carton Number 1."

d. **SERIAL NUMBER ITEMS.** When items such as watches, cameras, camera lenses, typewriters, television sets, and stereo components are identified by a serial number, keep a record of each serial number for items shipped to Europe.

e. **PALLETIZING.**

(1) Pallets will conform to International Shipping Organization (ISO) or Uniform International Cargo (UIC) standards. Individual cartons on the pallet will be marked with information noted in Section 6A, General Instructions. Pallets will be marked to indicate the number of pieces per pallet. Each pallet will indicate consignor and consignee of shipment.

(2) Shipment on pallets destined for European Union countries must comply with regulations regarding imports (see <http://www.shopyexchange.com/DoingBusiness/vendorcompliance.htm>).

(a) All shipments on pallets destined for European Union countries (which include Germany, United Kingdom, Italy, Spain, France, Belgium, Netherlands, Luxembourg, Austria, Portugal, Ireland, Sweden, Switzerland, Greece, Denmark, and Finland) must comply with the Emergency Measure (2001/219/EC) adopted by the Commission of the European Communities (CEC) which applies to coniferous (softwoods: pine, spruce, fir) Non- Manufactured Wood Packing (NMWP) materials used to ship products. NMWP materials are pallets, crating, boxes, or dunnage made of raw wood.

(b) The Emergency Measure was adopted by the CEC to stop further spread of a microscopic pinewood nematode to European Union forests that has already caused damage to the forests of Japan and China. This mandate requires all coniferous NMWP materials to be Heat Treated (HT), or kiln dried HT, and certified by an accredited agency recognized by the American Lumber Standards Committee (ALSC).

(c) To comply, the Exchange requires all NMWP materials produced entirely or in part of non- manufactured softwood species to be constructed from HT (to 56 degrees Centigrade for 30 minutes) coniferous material and certified accordingly by an accredited agency recognized by the ALSC, in accordance with NMWP enforcement regulations dated May 30, 2001.

(d) NMWP made exclusively of hardwood materials, though exempt from the CEC Emergency Measure, must also be marked. The proper mark is "NC-USA."

(e) Markings placed on the NMWP materials must be at least 1.25" in height. On pallets, the markings shall be applied to the stringer or block on opposite sides and ends of the pallet and be contrasting and clearly visible. On crates/containers, the marking shall be applied on a side other than the top or bottom, contrasting, and clearly visible. These quality marks and more information regarding the European Emergency Measure can be viewed at the [USDA website](#).

f. **ROUTING INSTRUCTIONS AND DOCUMENTATION.** Where the Exchange assumes all or part of the freight charges under the delivery terms of the order, separate routing instructions and customs forms will be furnished by the transportation office. **You are required to call GEDC-Container Control in GERMERSHEIM, Germany 5 days prior to vendor ship date; except vendors shipping out of Italy, where a 14-day notice is required – telephone (0049)-641-407-381. Failure to call may result in rejection of any shipment.**

g. **BILL OF LADING.** Consolidate all orders being shipped to the same destination on one B/L. Annotate the B/L with each individual purchase/delivery order number, number of pieces, weight, and cube for each PO. Provide the carrier with two copies of the B/L with written instructions on the B/L: "Attach one copy of B/L to your delivery receipt."

4. Replace [Section 10, Invoicing and Payment](#), with the following.

a. **GENERAL.** These instructions apply to all contracts unless different instructions are prescribed in the contract. Any questions concerning these instructions should be directed to the Contracting Officer or the FA-C/AP office shown under the invoice mailing address on the contract.

Note: As used in this section, "contract" also includes "POs" "DOs" or other orders for items under the contract.

b. **INVOICING INSTRUCTIONS.**

(1) In order to be considered a proper invoice for purposes of the [Prompt Payment Act](#), an invoice must be submitted as follows:

(a) Prepare a separate numbered merchandise invoice for each order or part of an order. **Do not consolidate billing for more than one order on one invoice.** Additionally, when partial shipments are authorized, use a separate invoice. Do not duplicate an invoice number used in prior billings. Correcting invoices and credit memos must be marked as such and must cross-reference the corrected invoice.

(b) Invoicing for "Direct Delivery" contracts calling for direct delivery to a selling activity in EU will have the original invoice packed in Case Number 1 of the shipment, or be given to the Exchange receiving activity upon delivery.

(c) Invoices for all other merchandise sent to Exchange selling activities and warehouse facilities must be submitted, in original copy only, to the address indicated below. An invoice copy or packing slip must be included in Case Number 1 of each shipment. The copy is considered a packing slip to facilitate receiving by the facility and is not a proper invoice to enable payment. Mail invoices to:

Army and Air Force Exchange Service
ATTN: Accounts Payable
P.O. Box 660261
Dallas, Texas USA 75266-0261

(d) Questions concerning invoicing and payment should be directed to the FA-C/AP Office. Invoice status can be viewed online at partners.aafes.com/vendor/, if Internet access is not available, fax inquiries to 214-465-2900.

(2) Invoices must be issued by the company whose name is on the contract unless otherwise authorized by Contracting Officer. The invoice number must not be a duplicate number used in prior billings. Invoices must contain the following minimum information to enable timely payment:

(a) The Contractor's name and address and the name, title, and phone number of contracting POC.

(b) The Exchange-assigned vendor payment number.

(c) Invoice Date – This cannot be a date earlier than the required ship date; the Exchange retains the right either to return the improper invoice for correction or to change the invoice date to the required ship date. In the event an invoice is returned because it is improper due to the date on the invoice being earlier than the required ship date or the invoice is improper for any other reason, the invoice date, for purposes of prompt payment discounts, will be considered the date of receipt of the corrected, proper invoice.

(d) Contract order number. This is a 10-digit number that must be used for open order/direct delivery shipments.

(e) Item description and quantity shipped/delivered.

(f) Three-digit line item number is required, if applicable (i.e., line item contract and not dollar- only receiving contract). Exchange 9-, 11-, or 15-digit number or UPC/EAN is required if the 3-digit contract line item number is not available.

(g) Line item cost and extension.

(h) Currency code, if other than U.S. dollars.

(i) Shipping and discount terms, including prompt payment discount, distribution allowance, special allowance. Prompt payment discounts, distribution allowances, and special allowances must be shown on the invoice using percentage figures only. **Do not deduct any of these from the item cost or from the invoice total.**

(j) Number of cases shipped and, where possible on FOB origin shipments, the cube and weight thereof as well as the date and mode of shipment.

(k) "Ship To" or "Mark For" address as shown on the order or contract. Include the facility name and building number, if available. The 10-digit facility number must be included on the invoice.

(l) Freight Charges.

1) If the delivery terms are FOB destination (or "delivered at place" [DAP] destination, which is the corresponding Incoterm) and shipments are prepaid, do not add the shipping charges to the invoice for merchandise. In the event a separate invoice for shipping charges is submitted, the invoice shall cross-reference the appropriate purchase/delivery order number and merchandise invoice number. Support shipping charges on a separate invoice by stapling a copy of the paid freight bill, carrier's bill, or parcel post receipt behind the invoice.

Supplier Requirements

Invoices for freight charges must be mailed to the Europe Distribution Activity at the following address:

Army and Air Force Exchange Service
Germersheim Distribution Center
ATTN: GEDC Transportation Freight
Lingenfeldstr, Bldg 7977
Whse 7977
Germersheim, Germany 76726-0000

2) A proof of shipment is required for orders directing shipment to a distribution activity or warehouse. An original proof or Certificate of Shipment must be submitted with the original invoice at the time it is submitted for payment. Staple the proof of shipment document behind the original invoice. If a single proof of shipment document is used for several POs or DOs, annotate the document with the individual PO or DO numbers, and indicate the number of pieces and weight applicable to each PO. The proof of shipment document and applicable invoice must be received together. If an acceptable proof of shipment is not received with the invoice, the vendor will be notified by letter. Invoices will not be paid until an acceptable proof of shipment is received. The following is a list of acceptable proof of shipment documents:

- Original bill of lading, properly receipted by the carrier for all shipments made via railroad, motor carrier, freight, steamship, or air.
- Original express receipt signed or initialed by the express company.
- Original post office forms bearing cancelled postage. Do not insure our account unless specifically authorized.
- Original receipt, signed and stamped by an Exchange authorized representative, for any merchandise delivered by truck.

(3) Certificate of Shipment Instructions.

(a) Certification of Shipment for each invoice may be provided in lieu of proof of shipment. The certification is required on the original copy of the invoice only, and should be affixed on the front of the last page of an invoice, providing space permits and it is legible. Certification of Shipment will not be accepted if affixed to reverse side of the invoice. When space on the front of the original invoice is inadequate, the certification must be accomplished by a separate document stapled behind the original copy of the invoice.

(b) The required wording for a Certificate of Shipment is shown below.

Note: The certificate must indicate invoice number, PO/DO number, date of shipment, bill of lading number (whether shipper's or carrier's number), bill of lading date, name of carrier, number of cartons/cases, gross weight, signature and title of an authorized representative of your firm. The information must be complete.

FACSIMILE FORMAT FOR CERTIFICATE OF SHIPMENT

This certifies that merchandise listed on our Invoice No. ____ was shipped in accordance with the terms and conditions of your Purchase Order/ Delivery Order No. ____ on (shipment date) _____, via (name of carrier) _____, under bill of lading (shipper's/carrier's number) _____ dated _____, in _____ cartons/cases totaling (weight) _____. It is further certified that the original proof of shipment is in our possession and will be retained for a period of three years from date of shipment. Upon written demand, it will be furnished the Exchange. In the event we are unable to furnish required proof of shipment to support loss or damage claims, we hereby agree to reimburse the Exchange for any loss or damage to this shipment without regard to which party would normally bear the risk of loss.

Printed or Typed Name

Signature

Title

Date Signed

(4) Complete "remit to" mailing address on the invoice to indicate where your payment is to be sent. However, payment will be made to the name and address furnished for inclusion in the Exchange Vendor Master File unless approval of a change has been requested and obtained. In accordance with the procedures described in [paragraph \(3\)h](#).

(5) If the invoice is for payment for meat or meat food products, the invoice must be marked: **INVOICE FOR MEAT OR MEAT FOOD PRODUCTS – EXPEDITE**. If the invoice is for payment for dairy products, edible fats or oils, or food products prepared principally from edible fats or oils, the invoice must be marked: **INVOICE FOR DAIRY, FATS, OR OIL PRODUCTS – EXPEDITE**.

c. PAYMENT.

(1) A proper invoice is an invoice which contains all of the information/documentation specified in [paragraph 2b](#), and is sent to the address specified in the contract for the designated Exchange paying office. A proper freight charge invoice must cross-reference the corresponding merchandise invoice and contract number. Improper invoices may be returned without payment to the Contractor.

(a) Payment terms will be as specified in the contract.

(b) If the contract/PO fails to specify when net payment is due:

1) However, the contract specifies a prompt payment discount period of less than 30 days; net payment will be due 30 days after receipt of a proper invoice.

2) However, the contract specifies a prompt payment discount period of 30 days or more; net payment will be due 30 days after the prompt payment discount period ends.

3) And also fails to specify any prompt payment discount; net payment will be due 30 days after receipt of a proper invoice.

Supplier Requirements

(2) An invoice is considered to be received on the later of the following dates:

(a) **Either** the date a proper invoice is actually received by the designated paying office, if the Exchange annotates the invoice with the date of receipt at the time of receipt, **or** the date of the invoice if the designated paying office receives a proper invoice but fails to annotate the invoice with the date of receipt at the time of receipt; **or**

(b) The date a proper invoice is actually received by the Exchange EDI data bank if the invoice was transmitted via EDI; **or**

(c) **Either** the 7th day after delivery of the items in accordance with the contract terms; **or** the date of actual acceptance if actual acceptance occurs before the 7th day after delivery of the items, in accordance with the contract; **or** the date of actual acceptance occurring more than seven days after delivery of the items, in accordance with the contract terms, when a longer acceptance period is specified in the contract, to afford the Exchange a practicable opportunity to inspect, test, and accept the terms.

(3) In the event the prompt payment discount, distribution allowance, or other special discounts or allowances specified on your invoice are better than that specified in the contract, the more favorable discounts and/or allowances will be taken.

(4) For the purpose of determining whether payment is timely made by the Exchange, a "day" is counted for each calendar day, except: Saturdays, Sundays, and federal holidays. Payments falling due on a Saturday, Sunday or a U.S. federal holiday may be made the following business day without incurring late payment interest penalties.

(5) Net and prompt payment discount periods begin the later of the date a proper invoice is received at the proper Exchange paying office or receipt of merchandise (CONUS shipments)/scheduled ship date (Overseas shipments).

(6) Payment is made:

(a) The date a check for payment is dated.

(b) The date an EFT is received, regardless of the date the financial institution posts the transfer.

(c) The date a withholding, authorized by the contract, is initiated by the Exchange.

(7) Payment will be made by mailing a check to the address shown on the contract, unless a different "remit to" address is provided to the Contracting Officer for inclusion in the Exchange Vendor Master File.

(a) To change the address (e.g., street, P.O. box, city, state) to which payment should be sent, or for payments to also reflect a financial institution or a factor's name and be sent to the financial institution or factor's address, the request must be in writing, signed by a responsible official of the Contractor, and submitted for approval through the Contracting Officer.

(b) All such requests must clearly establish which division or subsidiary of a corporation such changes apply to, and the address which is superseded by the changes. These changes will become effective when approved by the Contracting Officer and FA-C/AP and on the date determined by the Exchange. This will normally be 30 days after approval.

Supplier Requirements

Changes will be done on an accommodation basis only, with the understanding that no legal obligation is imposed on the Exchange for failure to make payment to the new payee/address. You may, in similar manner, revoke such changes.

(c) Any request to change the name shown on the contract or to assign contract performance must be sent to the Contracting Officer.

(8) If your "remit to" address is not in the Exchange Vendor Master File, payments will be forwarded to the address shown on the contract.

(9) Any questions or inquiries concerning invoice payments should be directed to the Exchange paying office designated on the contract or purchase/delivery order. The Exchange does not maintain separate ledger balances for each Contractor. Consequently, any inquiry concerning unpaid invoices or other payment discrepancies must include the following data:

<u>Unpaid Invoice</u>	<u>Other Payment Discrepancies</u>
Exchange Order No.	Exchange Order No.
Invoice No.	Invoice No.
Date of Invoice	Exchange Charge/Credit Voucher No.
Invoice Amount	Exchange Check No. "Ship To" Address

(10) Any interest penalties due will be computed in accordance with the [Prompt Payment Act, 31 United States Code \(U.S.C.\) 3901-3906](#), as amended.

(11) Unidentified and duplicate payments must be brought to the attention of the Exchange paying office designated in the contract immediately upon discovery. It is required to mail a copy of the Exchange check voucher received with the unidentified or duplicate payment highlighted. Under no circumstances should unidentified payments be applied against outstanding invoices.

(12) Proof of delivery may be requested by the designated Exchange paying office for FOB Destination contracts if payment of the invoice in question cannot be found by the Exchange paying office.

d. **PROOF OF SHIPMENT REQUIREMENT.** Retain the proof of shipment for three years after completion of the contract. Proof of shipment will be provided to the Exchange upon request. In the event that proof of shipment is not provided, you will be liable for any loss or costs to the Exchange.

SECTION 17D ADDITIONS FOR, SUPPLIER REQUIREMENTS

1. Add the following to [Section 12, Food and Beverage](#)

a. The type of can used is guaranteed to withstand overseas shipping and handling, and the contents will have a shelf life of 12 months from date of pack.

b. Additional charges attributed to Saturday, Sunday, and host country holidays for delivery are reimbursable when incurred pursuant instructions pertaining to this order.

c. SECTION 12A GENERAL

(1) Date of manufacture must be shown on both inner cases and outer shipping containers. Use a plain reading month and year manufactured; i.e., MFGD 3-97 OR MFGD Mar 97.

(2) Mark the word "**Aerosol**" in bold lettering not less than 7/16" (11mm) high on all shipping containers of product packed in aerosol dispensers.

(3) Partial shipments not authorized without prior approval of Contracting Officer.

(4) Date of manufacture must be shown on both inner cartons and outer shipping containers. Indicate numerically the month and year manufactured; i.e., MFGD 6-97.

(5) Provisions of [Section 15, Store Shipping Schedule](#), apply.

(6) Palletize per agreement with the Contracting Officer.

d. SECTION 12B SHIPPING AND MARKING

(1) Annotate on B/L: "Transportation hereunder is for the U.S. Government and the actual cost paid to the carrier(s) by the shipper is to be reimbursed by the Army and Air Force Exchange Service-Europe, an instrumentality of the U.S. Government."

(2) Label dangerous cargo in accordance with international regulations.

(3) Provisions in [Section 5](#) apply.

(4) For consolidation and reshipment to overseas destination, assembly rates apply.

e. SECTION 12C ADDITIONAL REQUIREMENTS

(1) The goods and/or services listed are to be delivered at a price exclusive of Value-Added Tax (VAT), under arrangements agreed upon between the appropriate U.S. authorities and Her Majesty (HM) Customs and Excise (reference Priv 46/7). "I hereby certify these goods and/or services are being purchased for U.S. official purposes only." (Applies to contracts/POs for United Kingdom vendors.)

(2) [Add the following to Section 14, Retail Merchandise](#)

(a) One English Language Instruction Booklet or Leaflet will be supplied with each item.

(b) Flame-Resistant ID. Agreement to include the statement, "Flame resistant. U.S. Standard FF5-74" on an attached label, tag, or the package enclosing each child's sleepwear garment in sizes 7 through 14 is required.

(c) All items listed in this contract must be manufactured in conformance with the following standards for toys:

1) U.S. Code of Federal Regulations 16, Parts 1500, 1501, and 1505.

2) American Society for Testing and Materials (ASTM) Standard F963 or European Norm (EN) 71, Parts 1-5, and EN 50088 in the case of electrical toys.

(d) Payments will be made and discounts shall apply upon receipt of invoice, proof/certificate of shipment, and Abwicklungsschein (required for Germany only).

(e). All electrical items in this contract must be 110V, 50/60 cycle to be furnished with standard American two-prong plug ("Association of German Electrical Technicians" VDE approved).

(f) All electrical appliances must be approved by an organization equivalent to the U.S. Underwriters Laboratories, Inc. A tag or label will be affixed to each item showing the approving organization. The UL equivalents can be found at <http://www.shopmyexchange.com/DoingBusiness/QualityAssurance/>.

(g) Required electrical appliance presetting:

- 1) United Kingdom 240 Volts, 50 Cycles.
- 2) Germany..... 230 Volts, 50 Cycles.
- 3) Greece, Italy, Spain, and Turkey220 Volts, 50 Cycles.

(h). One English Language Instruction Manual, guarantee/warranty card, and authorized United Kingdom guarantee repair station(s) will be included with each item.

(i) One English Language Instruction Booklet or Leaflet will be supplied with each item. Guarantee/ warranty card and a list of authorized repair stations in Europe and the U.S. will also be supplied.

(j) Electrical appliance will be equipped with 2-core lead flat German plug and 2 round pins.

(k) U.S. flat 2-pin plug listed in UL or equivalent agency certified.

(l) All 110V electrical Christmas tree light sets must be UL approved. All 220V electrical Christmas tree light sets must be VDE approved.

(m) **EQUIPMENT AND AUTOMOTIVE**

1) Except for vehicles, each unit will include manuals for installation, operation, and maintenance with lists of spare parts and supplies with prices. Vehicles will include an operator's manual. Revised parts and supplies list will be sent to the Exchange as they are issued.

2) Vehicle serial numbers will be shown on individual shipping documents covering each vehicle.

3) Ship on wheels, fully assembled, unboxed, with no preparation for overseas shipment.

4) Parts supplied under superseding part numbers must be identified with old and new part numbers on invoices.

5) Partial shipments are authorized on automotive parts orders.

6) For shipment of wheeled vehicles, reproduce an additional copy of the B/L and mail to: Army and Air Force Exchange Service –

ATTN: Container Control
Lingenfeldstr, Bldg 7977
Whse 7977
Germersheim, Germany 76726-0000

3. [Add Section 15, Store Shipping Schedule](#)

a. This purchase order/delivery order shows the total quantity of the item and styles ordered for all stores. The Store Shipping Schedule attached to this order shows the quantities to be packed and marked for each store. The size scale, if applicable, to be followed will be shown either in the handling of the schedule or will be attached to it. **Shipment must be complete in one delivery.**

b. All merchandise ordered and shipped under the Direct Delivery Program must be pre-ticketed, in accordance with [Section 5](#).

c. The quantity shipped to each store, as detailed in the attached Store Shipping Schedule, must be packed separately and the cartons containing these individual store requirements must be marked with the store name and number.

d. Merchandise marked for transshipment to stores will include the seven-digit facility number in addition to the facility name to facilitate re-forwarding.

POLICY OF SOCIAL RESPONSIBILITY

JUN 27 2013

DEPARTMENT OF THE ARMY AND AIR FORCE
ARMY AND AIR FORCE EXCHANGE SERVICE
DALLAS, TX 75236-1598
DEPARTMENT OF THE NAVY
NAVY EXCHANGE SERVICE COMMAND
VIRGINIA BEACH, VA 23452-5724
HEADQUARTERS, UNITED STATES MARINE CORPS
SEMPER FIT AND EXCHANGE SERVICES DIVISION (MR)
QUANTICO, VA 22134-5103

POLICY OF SOCIAL RESPONSIBILITY AND LABOR STANDARDS FOR PRIVATE LABEL AND DIRECTLY IMPORTED MERCHANDISE

The Army and Air Force Exchange Service (AAFES), Navy Exchange Service Command (NEXCOM), and Marine Corps Exchange (MCX) have a proud heritage of serving the men and women of the uniformed services and their families. The military exchanges perform a vital mission in bringing an array of products and services to military members and their families serving throughout the world. Our mission is global; we are citizens of many worldwide communities, supported by a very diverse workforce. Our endeavors are deeply rooted in the tenets of integrity, accountability, and compassion, which are embodied in our core values. Consistent with those values, AAFES, NEXCOM, and MCX require their suppliers and/or manufacturers of private label merchandise and merchandise imported directly by the exchanges, to assess their practices, as well as those of their subcontractors, for compliance with these Social Responsibility and Labor Standards in this Policy and Enclosure (1). Any violations of these standards by any manufacturer or subcontractor may be cause for immediate termination of any agreement.

Each military exchange shall implement a program ensuring that its private label or directly imported merchandise is not produced by child or forced labor and make periodic assessments of this program. This program shall be based on the Social Responsibility and Labor Standards outlined in Enclosure (1). The military exchanges shall also use government agencies, such as the Departments of State and Labor, retailers, and the International Labor Organization, as resources for information and insights that would facilitate structuring the program. We will establish ongoing communications with these organizations to help us stay abreast of information that facilitates our implementation and monitoring efforts to assure that exchange service merchandise is not produced by child or forced labor. Wherever possible, we will pursue efforts to implement this program jointly to minimize costs where there are opportunities to do so.

AAFES, NEXCOM, and MCX shall continue to expect that all brand name merchandise suppliers will comply with all applicable federal or international laws and regulations concerning Social Responsibility and Labor Standards, and shall take appropriate contractual or other action if this expectation is not met.



THOMAS C. SHULL
Director/CEO
Army and Air Force Exchange
Service (AAFES)



ROBERT J. BIANCHI
Chief Executive Officer
Navy Exchange Service
Command (NEXCOM)

WILLIAM C. DILLON
Director
Semper Fit and Exchange
Services Division (MR)

**POLICY OF SOCIAL RESPONSIBILITY AND LABOR STANDARDS
FOR PRIVATE LABEL AND DIRECTLY IMPORTED MERCHANDISE**

Child Labor: Suppliers and/or subcontractors shall not employ any person under the age of 14 years, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age will apply.

Forced Labor: Suppliers and/or subcontractors shall not use force or other compulsory labor in the manufacture of products. Suppliers shall not require employees to lodge "deposits" or identity papers upon commencing employment with the company.

Working Hours: Suppliers and/or subcontractors shall comply with applicable local laws on maximum daily/weekly working hours.

Compensation and Benefits: Suppliers and/or subcontractors shall ensure that wages paid for a standard workweek are consistent with local national laws.

Disciplinary Practice: Suppliers and/or subcontractors shall not engage in or support the use of corporal punishment, mental or physical coercion, verbal abuse, or withholding passports or travel documents.

Freedom of Association & Right to Collective Bargaining: Suppliers and/or subcontractors shall respect the right of all employees to form and join trade unions of their choice, consistent with prevailing local/national law and to bargain collectively, without any activity that impedes or suppresses freedom of association. Suppliers shall ensure that representatives of such employees are not subject to discrimination and that such representatives have access to their members in the workplace.

Discrimination: Suppliers and/or subcontractors shall be consistent with local laws regarding discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, maternity status, union membership, or political affiliation.

Safe and Healthy Workplace: Suppliers and/or subcontractors shall provide their employees with a safe and healthy workplace in compliance with all local laws.

A copy of these standards, translated in the language(s) of the workers, shall be posted in an accessible central location and visible to all employees at all production facilities that manufacture goods and merchandise for AAFES/NEXCOM/MCX. Any persons having knowledge of any violation of these standards are encouraged to contact:

Army and Air Force Exchange Service (AAFES)	Navy Exchange Service Command (NEXCOM)	Semper Fit and Exchange Services Division (MR)
Chief, Quality Assurance	Chief Merchandising Officer	Head, Merchandising Branch
3911 S. Walton Walker Blvd. Dallas, TX 75236 U.S.A.	3280 Virginia Beach Blvd. Virginia Beach, VA 23452 U.S.A.	3044 Catlin Avenue Quantico, VA 22134 U.S.A.

Sample Carton Markings

Left Side of Carton

<p>From: Super Products 111 Best Street Best Town, CA 96000-0000</p> <p>Ship To: West Coast DC (WCDC) Bldg 550, 700 E. Roth Rd. Sharpe Army Depot French Camp, CA 95231-0000</p>
--

Front of Carton

<p>Special Markings as directed on the AAFES order and Fragile, etc., as required.</p>	<p>TCN: HXRHAR-4070-5011xxx RDD 092 TP-3 HXYAA AAFES XE2 Honolulu HXRHAR Hawaii DC</p> <p>1 of 12 (if appropriate)</p>
--	--

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester.
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details).

3. The IRS tells the requester that you furnished an incorrect TIN.

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line: **do not leave this line blank.** The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(ii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4347

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(c) or any individual retirement plan as defined in section 7701(a)(3)(A)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(ii)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulatory investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-428-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

**Supplier Requirements
Figure 3-3**

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor/trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ²
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person or a joint account has an SSN, that person's number must be furnished.
² Circle the minor's name and furnish the minor's SSN.

3. You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded or filer" name line. You may use either your SSN or E.I.N. (if you have one), but the IRS encourages you to use your SSN.
 4. List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.
- Note.** If a trust or account must provide a Form W-9 to trustee or trust.
Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

- To reduce your risk
 - Protect your SSN
 - Ensure your employer is protecting your SSN, and
 - Be careful when choosing a tax preparer.
- If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.
- If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.
- For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.
- Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for taxpayer Advocate Service (IAS) assistance. You can reach TAS by calling the TAYAS toll-free case intake line at 1-877-777-4778 or 1-877-777-4778 or 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4336).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payees must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Appendix 1

Retail Department Numbers Ticketing Requirements

Retail Department Numbers

DEPT 01 – AUTOMOTIVE

DEPT 10 - TOBACCO (and Smoking Accessories)

DEPT 20 - FOOD (Except freeze-dried camping foods)

DEPT 22 - WINE, WINE COOLERS

DEPT 23 - BEER/Ales, Ciders, and Flavored Malt Beverages

DEPT 25 - LIQUOR/SPIRITS

DEPT 29 – Non-Alcoholic BEVERAGES

DEPT 30 -HEALTH & BEAUTY AIDS, FACIAL AND TOILET TISSUE, SHOE CARE, SPORTS NUTRITION SUPPLEMENTS, DISPOSABLE DIAPERS

DEPT 34 - COSMETICS, FRAGRANCES, NAIL CARE AND SUNGLASSES

DEPT 35 - CLEANING SUPPLIES, LAUNDRY, SHELF AND DRAWER LININGS, GARABAGE BAGS, HOUSEHOLD WRAPPING/PACKING SUPPLIES

–FASHION

DEPT 51 - WATCHES

DEPT 56 – FINE JEWELRY

DEPT 60 - STATIONERY, GREETING AND POST CARDS, WRITING INSTRUMENTS, OFFICE, SCHOOL AND GIFT WRAP, STATIONERY TAPE AND MAILING SUPPLIES, PARTY GOODS, PHOTO FRAMES AND ALBUMS, SEASONAL DECORATIONS, PLAYING CARDS, FLAGS, DECALS, CANDLES

DEPT 69 - BOOKMARK, BOOKS, MAGAZINES

DEPT 70 - MENWEAR (coats, shorts, trousers, sweaters, casual shirts, suits, jackets, etc)

DEPT 71 - MENS FURNISHINGS (shirts, sleepwear, underwear, socks, belts, ties, gloves, hats, etc.)

DEPT 72 - WOMENSWEAR (coats, shorts, dresses, suits, slacks, blouses, sweaters, shirts, skirts, furs, swimsuits, beachwear, etc.)

DEPT 73 - WOMENS FURNISHINGS (lingerie, hosiery, sleepwear, hats, handbags, gloves, underwear, belts, other accessories)

DEPT 74 - BOYS WEAR (sizes 4 through 20)

DEPT 75 - GIRLS WEAR (sizes 4 through 16)

DEPT 76 - INFANT/TODDLER WEAR (sizes 0 through 4T)

DEPT 77 - FOOTWEAR (all shoes, dress, boots, athletic/sport)

DEPT 78 - LINENS/DOMESTICS (bath, bedroom, kitchen, dining, etc.)

DEPT 79 – SEWING (machines, notions, patterns, fabrics, thread, tapes, ribbons, macramé, rug/needlework kits, etc.)

DEPT 80 - TABLEWARE (glasses, plates, cups, saucers, knives, forks, spoons, individual pieces and sets (non-disposable).)

DEPT 81 - KITCHENWARE (cutlery, tools, gadgets, utensils, pots, pans, cookware, containers, mats, liners, protectors, etc.)

DEPT 82 - GIFTWARE (all household gift-type items and home décor)

DEPT 83 - PET AND AQUARIUM SUPPLIES

DEPT 84 - MAJOR APPLIANCES

DEPT 85 - HOUSEHOLD (all electric appliances, floor care, personal care)

DEPT 86 - HOUSEHOLD (regular household furniture and accessories, carpets, mirror, frames, stands, wagons, carts, trays)

DEPT 87 - HARDWARE (Air and water filters, hand and power tools, nuts, bolts, screws, ladders, paint, plumbing, batteries, transformers, flashlights, lanterns, dry cell batteries, light bulbs bathroom scales, electrical accessories, storage and hangers, fire and safety protection, locks, footlockers, weatherproofing, industrial tape and adhesives)

DEPT 88 - LUGGAGE (trunks, toilet kits and accessories)

DEPT 89 - OUTDOOR LIVING (lawn and garden power and hand tools, lawn/patio furniture, umbrellas, fertilizers, chemicals, sprayers, seeds, bulbs, plants, trees, tills, cookers and accessories, charcoal and lighters, fluids, pre-filled propane containers, trim-a-tree and Halloween, seasonal)

DEPT 90 - JUVENILE FURNITURE (Baby furniture, mattresses, clocks, rugs, and caskets)

DEPT 91 - SPORTS (hunting and fishing equipment/supplies, archery, golf, tennis, ball sports, skiing, camping, water sports, boating, picnic, water jugs, ice chests/coolers, freeze-dried camp foods, billiards, darts, indoor/outdoor games, exercise and fitness equipment, skates, skateboards, knives, and bikes)

DEPT 92 - PROCESSED FILM

DEPT 93 - PHOTOGRAPHY AND OPTICAL (Cameras, Camera Accessories, Lenses, Film, Film Mailers, Camcorders, Microscopes, Binoculars, etc)

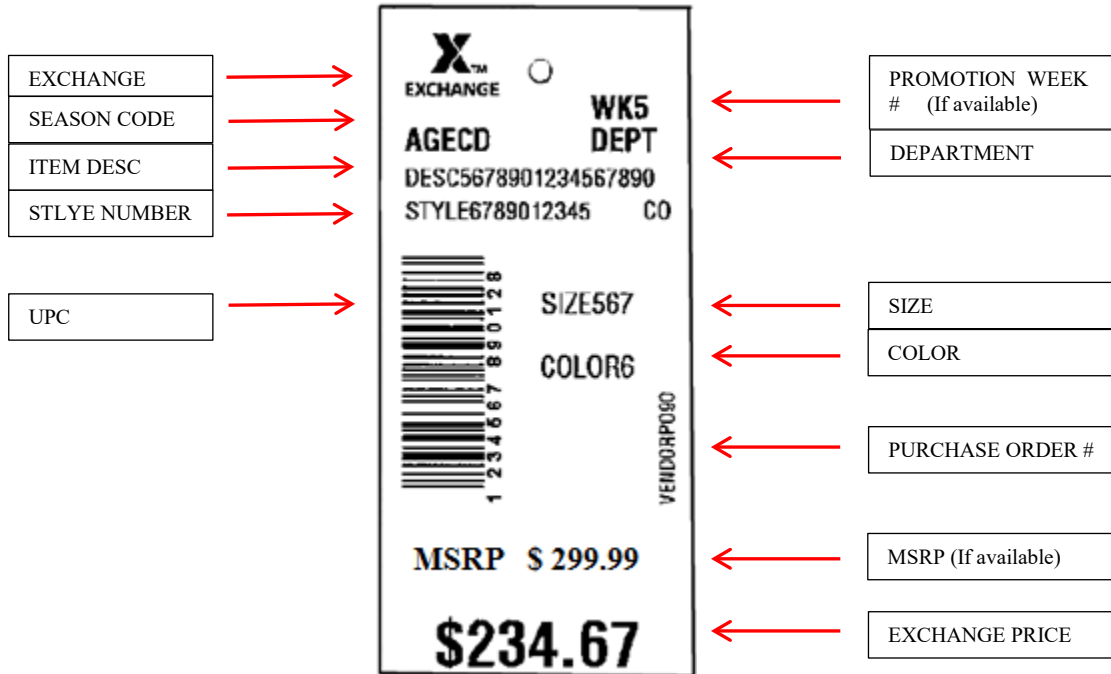
DEPT 94 - COMPUTER - HARDWARE

DEPT 95 – TOYS

DEPT 96 - COMPUTER (Software, peripherals, accessories)

DEPT 97 - HOME ENTERTAINMENT (Televisions (TV), videocassette recorders (VCR), Digital Videos (DVD), Music systems, Portable Audio, telephones, musical instruments, blank media, video games and consoles, video and audio accessories, prepaid cards)

DEPT 98 - RECORDED SOUND AND VIDEO (All prerecorded media such as tapes, records, albums, cassettes, discs (sound and video).



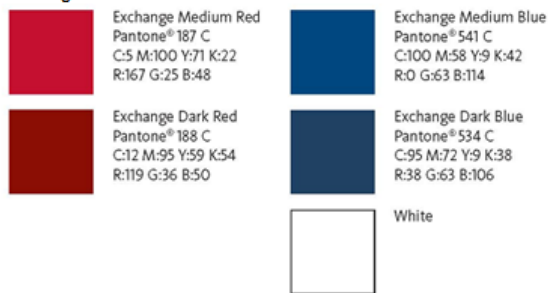
**Exchange Logo in color is not mandatory

Exchange Logo Color Usage

Preferred 4 color usage:



Exchange Brand Color Palette:





HANGTAG PLACEMENT

TOPS



Folded



Hanging

BOTTOMS





















**Both options for folded and hanging,
depending on buyer preference**








Appendix 2

Exchange Hanger Requirements

Line#	Image	PRODUCT DESCRIPTION
1		NON-SLIP FOAM COVER SHOULDER, CHARCOAL (1 CASE = 1000)
2		ADULT HVY WEIGHT TOP HANGER, BLACK, 17" (1 CASE = 200)
3		ADULT HVY WEIGHT TOP HANGER, BLACK, 19" (1 CASE = 200)
4		CHILDRENS MED WEIGHT TOP HANGER, WHITE 10" (1 CASE = 500)
5		CHILDRENS MED WEIGHT TOP HANGER, WHITE 12" (1 CASE = 500)
6		CHILDRENS MED WEIGHT TOP HANGER, WHITE 15" (1 CASE = 200)
7		CHILDRENS HVY WEIGHT TOP HANGER, WHITE, 15" (1 CASE = 200)
8		ADULT PINCH BOTTOM HANGER, BLACK, 12" (1 CASE = 200)
9		ADULT PINCH BOTTOM HANGER, BLACK, 14" (1 CASE = 200)

10		ADULT PINCH BOTTOM HANGER, LONG JAW, BLACK, 12" (1 CASE = 200)
11		ADULT PINCH BOTTOM HANGER, LONG JAW, BLACK, 14" (1 CASE = 200)
12		CHILDRENS PINCH BOTTOM HANGER, 8" WHITE (1 CASE = 200)
13		CHILDRENS PINCH BOTTOM HANGER, 10" WHITE (1 CASE = 200)
14		ADULT HVY WEIGHT FLAT OUTERWEAR HANGER, BLACK, 17" W/ 3.75" (1 CASE = 200)
15		ADULT HVY WEIGHT FLAT OUTERWEAR HANGER, BLACK, 19" W/ 3.75" (1 CASE = 200)
16		ADULT HVY WEIGHT FLAT OUTERWEAR HANGER, BLACK, 17" W/ 5.25" (1 CASE = 200)
17		ADULT HVY WEIGHT FLAT OUTERWEAR HANGER, BLACK, 19" W/ 5.25" (1 CASE = 200)
18		CHILDRENS HVY WEIGHT FLAT OUTERWEAR HANGER, WHITE, 15" W/ NOTCHES (1 CASE = 200)

19		CHILDRENS FRAME 10" X 8.5" WHITE (1 CASE = 200)
----	---	---

Line#	Image	PRODUCT DESCRIPTION
20		CHILDRENS FRAME 12" x 10" WHITE (1 CASE = 200)
21		CHILDRENS SETS 10" WITH 4" DROP WHITE (1 CASE = 200)
22	n/a	CHILDREN SETS 12" WITH 7" DROP, WHITE (1 CASE = 200) [item n/a]
23	n/a	CHILDREN SETS 15" WITH 7" DROP, WHITE (1 CASE = 200) [item n/a]
24		INTIMATES 10" BRA/PANTY, CLEAR (1 CASE = 1000)
25		CROWN SIZER, BLACK WITH WHITE LETTERING (1 BAG = 100)

Appendix 3
CONTACT INFORMATION

TELEPHONE NUMBERS

HQ Logistics

Logistics CSO800-234-1204
CONUS Routing 214-312-2939 **or** 3123
Export Routing 214-312-2521 **or** 4120

Electronic Data Interchange

Support Staff214-312-2011

Exchange Online (shopmyexchange.com):

Exchange Online Customer ServiceSee [Contact Us](#) on shopmyexchange.com
Potential Online Suppliers.....See [Doing Business with the Exchange](#) on shopmyexchange.com
Online Drop Ship Supplier Support..... email: DSSupport@aafes.com

Loss Prevention800-527-6789
fax 214-312-3728

Uniform Code Council, Inc.

UPC Codes800-543-8137

CONUS DISTRIBUTION CENTER ADDRESSES AND TELEPHONE NUMBERS

Dan Daniel DC Customer Service757-888-2867
Carrier Appointment Scheduling757-888-2846

Ship to: 231 Enterprise Drive
Newport News, VA 23603-0666

Mail to: Same as "Ship to"

Dan Daniel Transship Customer Service757-888-2867
Carrier Appointment Scheduling757-888-2846

MARK FOR: (store name and facility number)

Ship to: 233 Enterprise Drive
Newport News, VA 23603-0666

Mail to: Same as "Ship to"

Waco DC..... Customer Service254-666-8505
Carrier Appointment Scheduling254-666-8540

Ship to: 1801 Exchange Parkway
Waco, TX 76712

Mail to: Same as "Ship to"

West Coast DC Customer Service209-234-3742
Carrier Appointment Scheduling209-234-3722
Carrier Appointment Scheduling fax 209-234-3731

Ship to: Building 550, 700 East Roth Road
Sharpe Army Depot
French Camp, CA 95231

Mail to: Same as "Ship to"

Fashion DF..... Carrier Appointment Scheduling757-888-2906

Ship to: 233 Enterprise Drive
Newport News, VA 23603

Mail to: Same as "Ship to"

OVERSEAS DISTRIBUTION CENTER ADDRESSES AND TELEPHONE NUMBERS

MAIL TO

SHIP TO (OVERSEAS VENDORS ONLY)

Germersheim Distribution Center (GEDC)

Unit 30306
APO AE 09095-0301

GEDC

Lingenfeldstr, Bldg 7977
Whse 7977
Germersheim, Germany 76726

Telephone: 011-49-0727-4947-2301 (from USA)
0727-4947-2301 (within Germany)

Gruenstadt Food Plant Prod.

Unit 29804 Box 51
APO AE 09056
Telephone: 011-49-6359-808101

Gruenstadt Food Plant Prod.

Kirchheimer Str. 104
67269 Gruenstadt, Germany

Hawaii Retail Whse

Building 1728, Kuntz Ave.
Hickam AFB, HI 96853-5297
Telephone: 808-422-6122

Hawaii Retail Whse

Building 1728, Kuntz Ave.
Hickam AFB, HI 96853-5297

Japan Distribution Center

Unit 5203
APO AP 96328-5203
Telephone: 011-81-425-52-2511, ext. 3714

Japan Distribution Center

Bldg. 4084, Yokota Air Base
Yokota Air Base, Japan

Korea Central Retail Whse

Unit 15500 (Camp Market)
APO AP 96284-0566
Telephone: 011-82-32-520-6521

Korea Central Retail Whse

Bldg T-1715, Camp Market Depot
Bupyong-Ku, Inchon, Korea

Okinawa Retail Whse

Unit 35163
APO AP 96378-5163
Telephone: 011-81-98-892-5111

Okinawa Retail Whse

Bldg. 801, Camp Kinser
Okinawa, Japan

Appendix 4

Glossary of Acronyms

ACRONYM	DEFINITION
A	
AFI	Air Force Instruction
ALSC	American Lumber Standards Committee
ANSI	American National Standards Institute
AOR	Area of Responsibility
APO	Army/Air Force Postal Office
AR	Army Regulation
ASN	Advanced Shipping Notice
ASTM	American Society for Testing and Materials
B	
B/L	Bill of Lading
C	
C	Celsius
CBP	Customs and Border Protection
CC	Consolidation Center
CD	Compact Disc
CEC	Commission of the European Communities
C.F.R.	Code of Federal Regulations
CFS	Container Freight Station
CONUS	Continental United States
CPSIA	Consumer Product Safety Improvement Act
CRC	Computer Reference Code
CSO	Customer Service Office
D	
DAP	Delivered At Place
D&B	Dun & Bradstreet
DC	Distribution Center
DMM	Division Merchandise Manager
DO	Delivery Order
DoD	Department of Defense
DOT	Department of Transportation
DSMT	Drop Ship Management Team
DVD	Digital Versatile Disc

ACRONYM	DEFINITION
E	
EAN	International Numbering Agency
EDI	Electronic Data Interchange
EDIFACT	Electronic Data Interchange for Administration Commerce and Transport
EFT	Electronic Fund Transfer
EN	European Norm
EOM	End of Month
EU	Europe
F	
F	Fahrenheit
FA-C/AP	Finance and Accounting Directorate –Controller/Accounts Payable
FAR	Federal Acquisition Regulation
FCC	Federal Communications Commission
FCR	Forwarders Cargo Receipt
FDA	Food and Drug Administration
FDI	Fashion Distribution Facility
FEDI	Financial Electronic Data Interchange
FOB	Freight-on-Board
FPO	Fleet Post Office
G	
GEDC	Germersheim Distribution Center
GIA	Gemological Institute of America
GS1	Global Standards One
H	
HAZMAT	Hazardous Material
HM	Her Majesty
HQ	Headquarters
HT	Heat Treated
HTS	Harmonized Tariff Schedule
I	
IATA	International Air Transport Association
IAW	In Accordance With
ICCNET	International Computer Center Network
ID	Identification
IMDG	International Maritime Dangerous Goods
IMPO	Inventory Management Purchase Order
INCO	International Commercial Terms
IP	Internet Protocol

ACRONYM	DEFINITION
I <i>continued</i>	
IRS	Internal Revenue Service
ISO	International Shipping Organization
IT	Information Technology Directorate
L	
LDU	Lowest Distribution Unit
LG	Logistics
LTL	Less Than Truckload
M	
MCX	Marine Corps Exchange
MSDS	Material Safety Data Sheet
MSRP	Manufacturer Suggested Retail Price
MWR	Morale, Welfare and Recreation
N	
NEXCOM	Navy Exchange Command
NMFC	National Motor Freight Classification
NMWP	Non-Manufactured Wood Packing
P	
PGP	Pretty Good Privacy
PID	Product Item Description
PO	Purchase Order
POC	Point of Contact
PROX	Proximo
Q	
QA	Quality Assurance
R	
RA	Return Authorization
RDC	Retail Department Code
RVCF	Retail Value Chain Federation
S	
SLA	Service Level Agreement
SSL	Secure Sockets Layer
SSN	Social Security Number
STC	Said To Contain
T	
TCN	Transportation Control Number
TIOH	The Institute of Heraldry
TMS	Transportation Management System
TSCA	Toxic Substance Control Act

ACRONYM	DEFINITION
U	
UCC	Uniform Code Council
UIC	Uniform International Cargo
UL	Underwriters Laboratories
UN	United Nations
UPC	Universal Product Code
UPS	United Parcel Service
URL	Uniform Resource Locator
U.S.	United States
U.S.C.	United States Code
USDA	United States Department of Agriculture
USDC	United States Department of Commerce
USDC	United States Department of Commerce
USPS	United States Postal Service
V	
VAN	Value Added Network
VAT	Value Adding Tax
VDE	Association for Electrical & Information Technologies
VICS	Voluntary Inter-Industry Communication Statement
VMF	Vendor Master File
VMI	Vendor Managed Inventory
VON	Vendor Order Number