# Drop Ship Program
# Supplier Guide

# July 2018 Significant Changes

| LOCATION | SIGNIFICANT CHANGE |
|---|---|
| Drop Ship Supplier Compliance Program | Addition of new non-compliance charges |
| EDI Requirements | Exchange needs to ensure suppliers are able to receive and transmit EDI transactions - EDI 850 (Purchase Order), EDI 856 Ship Notice, EDI 810 Invoice and EDI 846 Inventory NLT 28 Sep 2018. |
| Returned Merchandise Requirements | Follow the instructions provided in the Drop Ship Supplier Guide (page 30) located on the home page of VendorNet and process the order as returned in Radial/VendorNet. |

**To Our Valued Suppliers:**

Our shopmyexchange.com platform uses Radial Drop Ship Manager (VendorNet) to provide the system-to-system interface to transmit customer online orders to all eCommerce Drop Ship supplier partners.  Radial Drop Ship Manager has an EDI interface (preferred) along with a Browser-based interface available to Non-EDI partners if needed.  Radial Drop Ship Manager provides the supplier partner community with visibility to all of their drop ship orders processed through our shopmyexchange.com site.

All of our eCommerce Drop Ship supplier partners are expected to ship within 48 hours from when the online order was placed. This has become an industry standard and will be used as a key performance indicator to ensure online customers' fulfillment expectations are being met.

To become an eCommerce Drop Ship supplier please contact your Exchange buyer to start the onboarding process with Radial.  Should you have questions or comments concerning this program, please e-mail the eCommerce Drop Ship Support Team at DSSupport@aafes.com.

Thank you for your support.

ANA MIDDLETON               KAREN CARDIN

President/CMO                    Senior Vice President, Customer Experience

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# Exchange Drop Ship Program Overview

The Exchange uses Radial (VendorNet), a 3rd party vendor, to communicate drop ship orders with our suppliers for processing and shipping.  Suppliers will provide the Exchange up to date customer order status through Radial/VendorNet to include order exception monitoring (i.e. order holds, cancellations, returns) and order tracking information.  This process allows the Exchange Customer Service representatives to communicate timely and accurate shipping information to our customers on their orders.

For more details on Radial/VendorNet Drop Ship Manager features CLICK HERE

# Expected Fulfillment Rate

The Exchange requires a **95% or higher on time monthly fulfillment rate** in order to maintain the highest levels of customer service.  Suppliers unable to maintain this expected rate will be notified by the Exchange buyer of the issue so that the buyer can work with the supplier to determine if the assortment needs to be temporarily removed from shopmyexchange.com or if the supplier should be removed from the Drop Ship Program all together.

# Radial/VendorNet Account Set Up Process

When the Exchange buyer and supplier agree to place items online at shopmyexchange.com, the buyer will submit a Vendor Set Up Request form (see Appendix A) to the Drop Ship Support Team and the Drop Ship Support Team will coordinate with Radial/VendorNet to set up the supplier to receive drop ship orders from the Exchange.

When Radial/VendorNet receives the Vendor Set Up Request form, they will contact the supplier directly to discuss Radial/VendorNet fees and account set up options.  Radial/VendorNet is a fee based subscription and the supplier will have to sign an agreement directly with Radial/VendorNet.  Once Radial/VendorNet receives the signed agreement back from the supplier, Radial/VendorNet will officially begin full engagement with the supplier.  Radial/VendorNet will start with a kick off call to discuss/align on the supplier's preferred interface, answer any questions and define tentative testing and training timeframes.  When the account set up and testing has been completed, Radial/VendorNet will coordinate with the Drop Ship Support Team to schedule a "Go Live" date.  Please refer to Appendix B for a Vendor Set Up Checklist.

EDI is the required method of transmission with the supplier and Radial/VendorNet for the Exchange Drop Ship Program.  Radial/VendorNet's web based interface allows suppliers access to view orders, generate packing slips, confirm shipping and provide tracking info and generate invoices.

| EDI Documents Required by the Exchange | | | |
|---|---|---|---|
| **Data Type** | **Direction** | **EDI Document** | **Timing** |
| Order | From Radial/VendorNet | 850 EDI Purchase Order | 24 hrs daily / 7 days a week |
| Shipment Notification | To Radial/VendorNet | 856 EDI Advanced Ship Notice | Daily with Shipments |
| Invoice | To Radial/VendorNet | 810 EDI Invoice | Daily |
| Inventory | To Radial/VendorNet | 846 Inventory Data | Daily |

An EDI Questionnaire and EDI Technical Documentation will be provided to the supplier by Radial/VendorNet.  EDI file transmissions can be transmitted via FTP or through a VAN.  The vendor onboarding process takes approximately 6-8 weeks for EDI vendors.

# Radial/VendorNet Purchase Order Process

## Order processing from The Exchange to the Supplier

Once the customer places the order on shopmyexchange.com, a purchase order is created and processed through The Exchange systems and is transmitted to Radial/VendorNet for submission to the supplier. Suppliers will receive the PO through the EDI 850 Purchase Order or receive manually through the browser based Radial/VendorNet website for Non-EDI suppliers. If the supplier is browser based (not yet converted to EDI), they will have the ability to print an Exchange branded packing slip through Radial/VendorNet for use in fulfilling the order. Please see Appendix D for a Radial/VendorNet Daily Checklist for PO Processing.

## New Order Email Notifications

As customers' place orders, Non-EDI suppliers will receive email notifications of the new orders ready to process. All email notifications will be sent from DSSupport@aafes.com . To ensure timely delivery of these notifications please ensure this email id is on your safe sender list. One email address must be provided by the supplier to receive new order notifications from Radial/VendorNet and at least one backup email.

Suppliers will receive automated email notifications when orders have sat unprinted in Radial/VendorNet for 24 hours (excluding weekends/holidays). The Exchange will receive an automated email notification when orders have sat unprinted in Radial/VendorNet for 36 hours (excluding weekends/holidays).

## Estimated Ship Dates or Backorder Situations

Purchase orders approaching or having passed their negotiated lead times must have the Estimated Ship Date (ESD) updated in the Radial/VendorNet system.

The calculation in Radial/VendorNet for Estimated Ship Date or "ESD" on a PO to a supplier is:

- Based on the supplier Lead Days provided by buyers on the Vendor Set Up Form.
- ESD sent to the supplier is "Imported Date of Order" + Lead Days – Weekends/Holidays = ESD. **If the calculated ESD falls on a weekend, it will automatically move out to the next business day.**

Failure to update the ESD could result in customer cancelled orders which will have a negative impact on customer satisfaction and decreased revenue. Any order not fulfilled and shipped in VendorNet on or before the original ESD will negatively affect the suppliers on time fulfillment percentage. The date changes should be communicated to The Exchange using the below ESD procedures in Radial/VendorNet:

- Select "Estimated Ship Dates" on the main navigation menu which opens the Estimated Ship Date Maintenance screen.
- Enter Purchase Order number in the Purchase Order Field and select "Go" and the Estimated Ship Date Maintenance is opened with the Purchase order details.
- Enter the New Ship Date and select "Type" = "Order". The New Ship Date must be processed with the "Order" type so that the vendor will not receive delinquent shipment email notifications from Radial/VendorNet.
- Select "Process Dates" at the top of the screen and a popup confirmation screen is opened. Review the new ship date and select "OK".
- Estimated Ship Date Maintenance displays new date, select "Update Dates" which opens a popup confirmation, review date and select "OK".

- Receive confirmation on screen that the Estimated Ship Dates were processed and the order moves to "Date Review".
- The Exchange will review the order in the "Date Review" bucket.

All suppliers are expected to communicate Estimated Ship Date (ESD) changes and may be subject to non-compliance fees due to failure to update the Purchase Order (See Appendix E).

## Delinquent Shipments

Suppliers will receive automated email notifications from Radial/VendorNet for each order that goes one (1) day past the original expected ship date without being marked as shipped or the ESD is updated. Suppliers and the Exchange buyer and Drop Ship Support Team will receive an automated summary report from Radial/VendorNet which lists all orders one (1) day or more past the original expected ship date without being marked as shipped or the ESD is updated.

Any EDI issues/changes must be relayed to the Exchange and Radial/VendorNet immediately. If needed, orders should be updated manually to avoid delinquent shipments. Please see the Drop Ship User Guide located on the Radial/VendorNet home page and reference page 17 for detailed instructions.

Delinquent shipments may be subject to non-compliance charges (see Appendix E).

## Inventory

The Exchange requires daily inventory updates.  The data from the inventory entered into Radial/VendorNet will be transmitted to the Exchange and will be used to control the display of items on shopmyexchange.com so that our online customers will be able to place orders for only product that is currently available.

All suppliers are expected to provide daily inventory updates and may be subject to non-compliance fees due to inventory update errors (See Appendix E).

EDI suppliers must transmit inventory using the 846 Inventory transaction.  Non-EDI suppliers have two options to transmit inventory to the Exchange:  1) Manually key-in quantity and/or expected date for each item through the web portal (no cost); or 2) File upload, as a ".csv" document which will require a separate one time set up fee.

- On line inventories of suppliers items must be submitted at least once a day.
- Only items with a positive inventory on hand will be shown on shopmyexchange.com, items with a zero (0) quantity on hand will not be shown on shopmyexchange.com until a positive inventory on hand quantity is received from the supplier in their inventory updates.
- Supplier's inventories need to incorporate historical sell thrus and upcoming promotions to ensure they maintain their ship rate.
- All suppliers, especially those who cannot submit their inventory updates on the weekends and holidays need to add a safety factor into their inventories.  This ensures that the supplier has inventory to cover all orders placed against the inventory submitted through Radial/VendorNet.
- All inventory updates need to be submitted at SKU level to ensure all items with size and color differences are updated correctly.
- Items going out of stock are required to have suppliers transmit the zero (0) quantities on the same day they go out of stock.

## Sold Out/Discontinued Notification

Customers place orders under the assumption that the items they are ordering are available for shipping immediately from the supplier.   In order to maintain the highest level of customer satisfaction the Exchange must ensure that the online system provides the customer with the latest and most accurate in stock status when the order is placed.

Suppliers must immediately update the EDI 846 inventory file to reflect zero (0) on hands and notify the applicable Exchange buyer of any products being discontinued so they can be removed from shopmyexchange.com and any future printed marketing materials. Suppliers need to also enter the Sold Out/Discontinued comment on any outstanding customer orders, so that the customer can be notified.

Any order that is cancelled due to advertising items on shopmyexchange.com that are no longer available may be subject to non-compliance fees due to failure to update inventory resulting in order cancellation (See Appendix E).

If the item is temporarily unavailable for an extended period of time, the supplier must notify the applicable Exchange buyer so that the item can be temporarily removed from shopmyexchange.com.

## Communicating on POs

Radial/VendorNet's comment function allows suppliers and the Drop Ship Support Team to communicate with each other regarding order status. When a comment is placed in the system the other party receives an automated email notification that the comment has been made on a purchase order so that a response can be provided and action taken. One email address must be provided by the supplier to receive notifications from Radial/VendorNet and at least one backup email. All orders with comments will be flagged and placed on Comment Review in either the Retailer or Supplier Review bucket for action. All comments, inquiries and changes in Radial/VendorNet along with communication with the Drop Ship Support Team must be completed within one (1) business day of receipt. Please note that the Radial/VendorNet system will send a delinquent notice if the response is not received within one (1) business day and the Drop Ship Support Team will also follow up.

Should an issue arise that cannot be handled through the Radial/VendorNet comment system, contact a Drop Ship Support Team member for assistance at DSSupport@aafes.com.

Examples of reasons a comment is placed on a purchase order are listed below:

- Supplier cannot Ship to PO Boxes or APO/FPO and is requesting physical address
- Customer requesting ETA
- Supplier requesting to ship substitute item
- Item Discontinued
- Item Out of stock (on back order)
- Customer has requested change of address
- Order shipped/Customer didn't receive item
- Model #/Item # do not match
- Model # wrong
- Description wrong
- UPC wrong
- Cost discrepancy
- Supplier unable to contact customer to set up delivery
- Wrong tracking entered by supplier
- Customer refused delivery
- Item returned to supplier
- Claims

Suppliers will receive automated email notifications when an order comment has been sitting in the Supplier Review bucket for 24 hours and not replied to or released. The Exchange will receive automated email notifications when an order comment has been sitting in the Supplier Review bucket for 36 hours and not replied to or released.

## Customer Inquiry Process

The Exchange Drop Ship Support Team will handle all correspondence with the customers and will coordinate with the Exchange Call Center Customer Service Representatives. Any Supplier Customer Service issues will be handled by submitting comments through Radial/VendorNet.

## Cancellation Requests

The customer or The Exchange may request to cancel an order and these inquiries are entered into Radial/VendorNet. The cancellation request will be sent to the supplier via "Comments" in the "Supplier Review" bucket to cancel.

**If the PO has not been shipped and can be cancelled:**
- Cancel the customer order in your system.
- Click "Add comment", type in the comment to confirm the cancellation.
- Click on "Save Comment".
- Order will move to the "Retailer Review" bucket for the Exchange to review and action.
- The Exchange will cancel the order with appropriate cancel code.

**If the PO cannot be cancelled due to prior shipment:**
- You must ship/confirm the PO in Radial/VendorNet.
- Click "Add comment", type in the comment to include the date the order shipped, shipping method and tracking number.
- Click on "Save Comment".
- Click on "Release Order" to remove comment from "Supplier Review".
- Order will move to the "Retailer Review" bucket for the Exchange to review and action.

**When a PO needs to be cancelled by the supplier:**
- Relay cancellation request to the Exchange via "Comments".
- Enter the PO number in the Order Services Box, hit enter.
- Click "Add comment", type in the comment with the reason why the order needs to be cancelled, i.e. "Item discontinued".
- Be sure to mark the comment as "Request Review" in the drop down box and then click on "Save Comment". This will put the order in the "Retailer Review" bucket for the Exchange to review and action.
- The Exchange will cancel the order with appropriate cancel code.
- Supplier will receive a cancellation confirmation via an automated email.
- Frequent purchase order cancellations may result with the item/supplier being removed from the Drop Ship Program.

## Shipping Delays

The Exchanges' effort to increase customer satisfaction and provide the customer with the most accurate shipping information requires that any shipping delay be communicated through Radial/VendorNet. Orders not shipped in the established lead time of two (2) business days (or otherwise negotiated by the buyer) may result in removal from the Drop Ship Program. The Exchange must be notified of any situations that result in a shipping delay so that we can communicate this to our customers.

The Drop Ship Vendor Compliance (DSVC) Team may be in contact with the supplier if orders are delayed in shipping.

## Routing

The supplier must ship the PO using the Ship Method or Carrier agreed upon with the buyer. Use of 3rd party shipping accounts must be pre-approved by the buyer and coordinated with the Exchange Logistics team and the Exchange Drop Ship Support team.

## Shipment Confirmation

All shipment information must be entered into Radial/VendorNet either thru the EDI 856 Advance Ship Notice or manual entry through the browser based Radial/VendorNet website for Non-EDI suppliers. Shipment information includes the Ship Method (carrier), ship date and tracking number.  Shipment confirmation must be entered into Radial/VendorNet the same business day that the order ships.  Please note that our customers are not charged for their order until the shipment information is entered into Radial/VendorNet.  Accurate shipment information is important as the info entered into Radial/VendorNet will be sent to the customer along with a link to the carrier's website with their tracking number.

There are several valid carrier codes that suppliers can use for transmitting the Ship Method which is provided to the supplier by Radial/VendorNet in the Technical Documentation.  Radial/VendorNet will work with the supplier to set up the appropriate Ship Methods in their Radial/VendorNet account.

**Preferred Carrier/Third Party Billing**  (Note: In order for the supplier to be eligible to use the Exchange 3rd party billing accounts, the supplier terms must be FOB Origin)

### FedEx

FedEx is our preferred carrier for shipments weighing less than 150 lbs going to US street addresses.  The FedEx account number and billing info will be provided to the supplier by Exchange Logistics team upon approval by the buyer.  To be set up with FedEx, please contact your buyer and the Drop Ship Support Team at DSSupport@aafes.com.

Please follow the below guidelines when shipping via FedEx.

- The Authorized Shipment Method is FedEx Ground – shipping code "GR"
- Do not Ship via FedEx Express International or Smart Post.
- Do not declare value or provide insurance on merchandise unless it's on high value jewelry ($250 and greater in cost)
    - When shipping high value jewelry and declaring value (insurance) please make sure you request a Direct Signature Confirmation.   There is an additional fee however if it is not requested FedEx may deny the claim if a signature if not requested.
- Do not request a Saturday pick up or Saturday delivery.
- Do not ship product on pallets when shipping FedEx Small Package.  FedEx's Small Package network cannot accommodate pallets.
- Ship up to 150 LBS
    - You can ship envelopes and packages up to 150 lbs and have a combined length and girth of no more than 130 inches using most FedEx Express and FedEx Ground.
- Failure to Provide the PO# in the reference field will Place the Vendor in a Non-Compliance Status and a Fee of $150 will be assessed per shipment.
- Exchange POC for FedEx:   Steven Garcia garciastev@aafes.com

### Stamps.com

Stamps.com is our preferred carrier for PO Box and APO/FPO Shipments.  Stamps.com is a service that allows you to print official United States Postal Service postage directly from your PC and printer. No special hardware is needed. Once your package is ready to go, simply hand it to your mail carrier.  To be set up with Stamps.com, please contact your buyer and the Drop Ship Support Team at DSSupport@aafes.com.  The Exchange POC for stamps.com is Steven Garcia garciastev@aafes.com

**Stamps.com is to be used only in the following way:**
- Shipping to OCONUS (overseas) and US PO Box locations
- Shipping - APO - FPO - DPO - (SHIPPING TO EXCHANGE STORES IS PROHIBITED)
- Shipping to Hawaii, Puerto Rico, Alaska, Guam, and the Virgin Islands

**Stamps.com is not to be used in the following way:**
- Do Not Ship via International Priority Mail - suppliers must use USPS Priority Mail
- Do Not declare value or provide insurance on merchandise unless it's on high value jewelry ($250 and greater in cost)
- Do Not Ship to US street addresses (ship via FedEx)

**Stamps.com Non Compliance Charges**
- All Stamps.com shipments must have the PO number in the Reference Field and In the Address Field. Failure to Provide the PO# will place the supplier in a Non-Compliance Status and a Fee of $150 will be assessed per shipment.
- Failure to Provide the PO# or not declaring value for jewelry (under or over) insuring will place the supplier in a Non-Compliance Status and a Fee of $150 will be assessed per shipment.


**APO/FPO Guide for Exchange Suppliers (Source
– see the links below):**

https://stamps.custhelp.com/app/answers/detail/a_id/774/kw/APO

https://stamps.custhelp.com/app/answers/detail/a_id/406/kw/APO

# Overseas Military Mail (the APO/FPO system)

An important part of morale for Soldiers, Airmen, Sailors and Marines of the United States Armed Forces is the receipt of mail from home and/or orders placed online. However, the logistical challenges of delivering mail to far-flung and oftentimes dangerous corners of the world can make the process difficult.

The United States Department of Defense (DoD) and the United States Postal Service, to this end, established the Overseas Military Mail system, which allows for rapid processing and shipment of mail from the United States to military posts, United States Navy, Coast Guard and US Naval Reserve vessels, and United States Embassies worldwide.

**How does the Overseas Military Mail System work?**
The system depends on three broad regions or "states" based upon where the particular unit is stationed:

- AA, **A**rmed Forces **A**mericas, which serves all of the Americas, (including military bases within the United States), except for Canada; •
- AE, **A**rmed Forces **E**urope, which serves Europe, Canada, Africa and the Middle East; •
- AP, **A**rmed Forces **P**acific, which serves Asia and the Pacific.

These codes point to three Military Gateways (receiving centers for military mail):

- AA mail is routed to Miami;
- AE mail is routed to New York City;
- AP mail is routed to San Francisco

From here, the mail is sorted by the individual unit or ship, and then is transferred into the custody of either the Navy (for FPO addresses) or Army or Air Force (for APO addresses), and is delivered to its final destination. The military, along with the State Department, also handles a new designation -- DPO,

or "Diplomatic Post Office", established in January, 2009, and which serves 16 Embassies worldwide (the other 90 Embassies currently bear APO addresses, though they are scheduled to gradually be changed over).

Each APO and FPO is assigned a ZIP Code of their own, corresponding closely to the Military Gateway city's ZIP, and from there organized by country or region -- the first two numbers designate the routing center, the third designating the country or region within the "state". For instance, a ZIP beginning in "962" will be in AP, going to a military post in South Korea, while a ZIP beginning in "095", in AE, designates a US Navy ship in the Atlantic, Mediterranean or Persian Gulf.

## Addressing an Overseas Military Mail Mailpiece

To properly address a mailpiece, you need the following information:

- Name of the recipient (rank/grade/rating is optional)
- The PSC (Postal Service Center), CMR (Community Mail Room), UMR (Unit Mail Room), RPO (Regional Post Office), APO (Army Post Office) or OMDC (Official Mail Distribution Center) number.
- It is not necessary to add the specific military formation (for instance "1/20 24th Infantry") that the recipient is attached to.
- At times, operational security may demand that the unit not be named.
- For FPO addresses aboard a United States Navy or United States Coast Guard vessel, put the ship's name and hull number, if applicable, (for instance "USS Cochrane (DDG21)") instead of a PSC number.
- If applicable, the recipient's Military Post Office Box number.
- When mailing to a DPO address, do not add the street address of the embassy or the recipient's job title, such as "Ambassador John Adams" as this may cause processing errors.
- The APO and "state" designator (AA, AP, AE)
- Please do not use the state that the distribution hub is in (FL, CA, NY), as this may cause delays in the package being processed.
- The correct ZIP Code for the unit, preferably the ZIP+4.
- In case your package accidentally falls open during transit, consider including a card within, listing both yours and the recipient's addresses and a full listing of the contents.

For instance, here is a sample APO Address:

GEN Omar Bradley
PSC 1234, Box 12345
APO AE 09204-1234

For a FPO:

CAPT John Paul Jones
USS Cochrane (DDG-21)
FPO AP 96543-1234

For a DPO:

John Adams
Unit 8400, Box 0000
DPO, AE, 09498-0048

## Overseas Military Mail Restrictions

- Please do not send mail addressed to "Military Mail" or "any soldier" or "any sailor" or "any service member," or any other formulation that does not name a specific individual. Such mailpieces will be rejected and returned to the sender. While it was a tradition for the USPS to allow anonymous mail

to be sent to random troops as a morale booster, DoD has requested it be ended due to heightened security concerns.

- All packages must be 70 lbs. or less
- Packages cannot exceed 108 in. combined length and girth.
- You cannot send any item restricted by the United States Postal Service. In addition, you cannot send perishable foods.
- Further, you cannot send any items that are restricted by the unit's host country, regardless of their mailability by the USPS. Any mailpieces being sent to troops deployed in the Middle East or Afghanistan cannot contain articles contrary to the Islamic faith (exception: single copies of non-Islamic religious texts and religious objects intended for personal use are permitted), anything that could be considered pornographic or politically inflammatory, or pork/pig-derived products.
- You can see the full restrictions in the USPS Rate Calculator, or by contacting your local Post Office, calling 1-800-ASK-USPS or contacting the Military Postal Service Agency at http://hqdainet.army.mil/mpsa.
- Please remove any batteries from battery-powered items (radios, shavers, media players) in case they accidentally get switched on in transit. You can wrap them securely and place them with the item.
- All packages must have complete customs forms attached if being sent to an APO in a foreign country.

## Freight Shipments

SEKO is The Exchange's preferred carrier for shipments weighing more than 150 lbs.  SEKO uses the online booking tool MySEKO Harmony.  To be set up with SEKO, please contact your buyer and the Drop Ship Support Team at DSSupport@aafes.com

To book shipments with SEKO, the following information will be required:

- Pick Up Name
- Pick Up Address
- Pick Up Phone number
- Pieces
- Weight
- Dimensions
- Description of Goods
- Consignee/Customer Name
- Consignee/Customer Address
- Consignee/Customer Phone number

## Packing Slips and Inserts (see Appendix C for Pack Slip Sample)

- Exchange branded packing slips are required for each purchase order and must be included in the shipping package.
- Browser based suppliers can use the Radial/VendorNet system to print Exchange branded pack slips.
- System to System or EDI Suppliers can use their system packing slip with approval from the Drop Ship Support Team prior to using for the first time.  Packing slip requirements are included in the Exchange Technical Documentation provided by Radial/VendorNet.
- No outside advertising materials or packing inserts may be inserted into the package unless prior written permission has been provided by the Exchange buyer.
- Orders may potentially contain gift messages on the pack slip and pricing must be suppressed.

# Shipment not Received by Customer

In the instance that a customer contacts us stating they have not received the order, we will place a comment in the Radial/VendorNet system asking for a trace of the order.

Please provide a copy of the Proof of Delivery to the Drop Ship Support Team. If the order has been lost, email a copy of the documentation to DSSupport@aafes.com

- If 3rd party shipping accounts are not used, please file a Claim with the appropriate carrier
- Supplier will Issue a credit memo
- Exchange will contact the customer to place a new order if required

Any tracking number provided that remains in "label created" status longer than 48 hours will be considered not shipped by the supplier. All orders shipped in VendorNet must be sent to the carrier the same business day. Carriers scan all packages received and "label created" only shows that the information was sent electronically, however the carrier never obtained possession of the merchandise. This will result in a chargeback to the supplier and the order will be subject to compliance fees.

# Customer Returns

Customers are provided with return procedures on the packing slip as well as on shopmyexchange.com.

In the occasional instance that a customer returns merchandise back to you due to:

- The customer refuses the merchandise
- The merchandise is damaged by the shipper and returned to the supplier
- Incorrect mailing address or undeliverable

Please follow the below return procedures in Radial/VendorNet:

- Enter the PO number in the Order Services Box, hit enter.
- Click "Add comment", type in the comment with the reason why the PO was returned.
- Be sure to mark the comment as "Hold for Review" in the drop down box and then click on "Save Comment".  This will put the order in the "Retailer Review" bucket for the Exchange to review and action.
- Follow the instructions provided in the Drop Ship Supplier Guide (page 30) located on the home page of VendorNet and process the order as returned in Radial/VendorNet.
- Please credit The Exchange awaiting our chargeback
- Do not reship the merchandise without first contacting the Drop Ship Support Team for authorization.
- Please complete the above steps with 2 business days of receiving these returns.

## Return To Address

The returns address can vary depending on the item and should not be hard-coded on the pack slip. Please refer to the packing slip requirements in the Exchange Technical Documentation provided by Radial/VendorNet for detailed instructions.

## Accounts Payable – Invoicing

All invoicing information must be entered into Radial/VendorNet either through the EDI 810 Invoice or manual entry through the browser based Radial/VendorNet website for Non-EDI suppliers.  All POs should be shipped complete and invoiced within 2 business days of the actual ship date.

- Invoice numbers must be unique and not reused
- Each PO must be invoiced separately
- Invoices require shipment confirmation in Radial/VendorNet for payment
- Handling and Freight charges should be invoiced according to terms negotiated with your buyer
- Any discrepancies in invoicing and payment, please contact the Drop Ship Support Team immediately at DSSupport@aafes.com

## APPLIES TO NEW SUPPLIERS ONLY:

To confirm initial invoicing is correct, please review payment information on Partners Online for the first invoices submitted through Radial/VendorNet.  Contact the Drop Ship Support Team immediately for any payment discrepancies.

## Accounts Payable – Checking Payment Amounts/Due Dates

Suppliers can view payment dates/check numbers on the Exchange Partners Online website using the below procedures.  For access to Partners Online https://partners.aafes.com please contact your buyer.

- When reviewing payments on the Exchange Partners Online website, the Customer Order Number must be used.
- The "Exchange Invoice Report" located under "Quick Reports" in Radial/VendorNet can be used by suppliers to cross reference the PO number to the Customer Order number.
- "Paper" or "Manual invoices will only be accepted for exceptions (i.e. short payments). When submitting a "Paper" or "Manual" invoice to our Accounts Payable team at APInvoices@aafes.com  the Customer Order Number must be used.
- If you have questions, please contact the Drop Ship Support Team at DSSupport@aafes.com

# Drop Ship Supplier Compliance Program

The Exchange has implemented a chargeback program to offset the costs involved when orders are not filled accurately or timely.  These chargebacks are to defray the costs involved that the Drop Ship Team incurs in following up on incorrectly transmitted or missing information along with incorrect shipments.

The Exchange will work with Drop Ship suppliers to minimize these chargebacks, but it is in each supplier's best interests to maintain compliance and provide timely and accurate information in the Radial/VendorNet system regarding every one of their shopmyexchange.com shipments.  Please refer to Appendix E for a list of the non-compliance charges.  If you have questions, please contact the Supplier Compliance Team at DSVendorCompliance@aafes.com

# Radial/VendorNet Training

## Web Based On Demand Training

Radial/VendorNet provides web based, on demand training for new and existing suppliers for manually printing, shipping, invoicing purchase orders as well as entering inventory information.  Contact TrainingRequests@radial.com for more information.

## User Guide for Existing Exchange Suppliers

Refer to the Radial/VendorNet Exchange Drop Ship User Guide when logged into the Radial/VendorNet Home page for detailed information regarding the Radial/VendorNet order processing system or contact Radial/VendorNet at DL-VendorNet-DropShipSupport-AAFES@radial.com

## Terms and Conditions and Supplier Requirements

The Exchange Terms and Conditions along with additional Supplier Requirements can be found on the Exchange Home Page at http://www.aafes.com/about-exchange/doing-business/

## Exchange Contacts and Responsibilities

| Department | Physical Address | Responsibilities | Contact Information |
|---|---|---|---|
| Drop Ship Support Team | Attn: CE 3911 S. Walton Walker Blvd Dallas, TX 75236 | • New Vendor Set Up and Training<br>• Point of Contact for vendor inquiries<br>• Customer Order Process Inquiries | DSSupport@aafes.com |
| Drop Ship Vendor Compliance | Attn: CE 3911 S. Walton Walker Blvd Dallas, TX 75236 | • Vendor Compliance Inquiries | DSVendorCompliance@aafes.com |
| Customer Service | Attn: CE 3911 S. Walton Walker Blvd Dallas, TX 75236 | • Customer Order inquiries<br>• Refunds /order adjustments<br>• Claims | DSSupport@aafes.com |
| Buyers | Attn: MD 3911 S. Walton Walker Blvd Dallas, TX 75236 | • Assortment changes; new items<br>• Cost discrepancies | See Doing Business with the Exchange at http://www.aafes.com/aboutexchange/doing-business/ |
| Accounting | Attn: FA 3911 S. Walton Walker Blvd Dallas, TX 75236 | • Accounts Payable<br>• Invoice Inquiries | APInfo@aafes.com |
| Logistics | Attn: LG 3911 S. Walton Walker Blvd Dallas, TX 5236 | • 3rd Party Shipping account inquiries | DSSupport@aafes.com |
| Radial/ VendorNet | Radial/VendorNet 1903 S. Congress Avenue, Suite 460 Boynton Beach, FL 33426 | • EDI Mapping Guidelines<br>• Radial/VendorNet Drop Ship Manager Technical Support<br>• Training<br>• Password Reset | DL-VendorNet-DropShipSupportAAFES@radial.com<br><br>Office Hours 8:00AM - 6:00PM Eastern Main Radial/VendorNet Support line: (561) 424-9078 |

**Appendix A - Vendor Set Up Form**

Click on the Link below located on the "Doing Business with the Exchange eCommerce" website:



**https://www.aafes.com/Images/doingbusiness/Radial-Exchange.docx**

## Appendix B - Radial/VendorNet Set Up Checklist

✓     Complete the Exchange Technical Questionnaire (see Appendix A) and return to Exchange Buyer for review/approval

✓     PC with Internet to access orders through the Radial/VendorNet website

✓     Printer access to print packing slips for new orders

✓     Dedicated resources to monitor and fulfill orders

✓     Provide all required item setup information including copy and images to the Exchange Buyer.

    ✓     Buyer will provide the required forms and procedures for item setup.

✓     If using 3rd party shipping accounts, the accounts must be established before the scheduled Radial/VendorNet "Go Live" Date

    ✓     FedEx Account - Exchange Logistics will provide account information

    ✓     Stamps.com - Exchange Logistics will provide account set up and certification procedures

✓     Set target "Go Live" date with Exchange buyer where all testing has been completed with the Radial/VendorNet team.

# Appendix C - Sample Pack Slip

**shopmyexchange.com**

| Order Number | 2032331719 |
|---|---|
| PO Number | 0092511726 |
| Order Date | 11/07/2016 |
| Ship Method | FEDEX |

**Ship to:**
Eric Spivack
1903 S Congress Ave
Boynton Beach, FL 334266543
561-424-9107

**Sold to:**
Eric Spivack
1903 S Congress Ave
Boynton Beach, FL 334266543
561-424-9107

**Message from the Exchange:**
Would you like to receive Exchange emails and be first to learn about special offers and promotions? Sign up today at shopmyexchange.com.

Thank you for your order! If you're not completely satisfied, you can return it to your nearest Exchange store.
Or call **1-800-527-2345** anytime for assistance.

## Can't get to a store? Use our convenient label to return your items to The Exchange.

| QTY | Model# | Item# | Description | Item Price | Total Price |
|---|---|---|---|---|---|
| 1 | Vend_Item2 | CRC_NUMBER2 | Green Widget Extra Large (987654321456) Free Ship to Store | $ 249.99 | $ 249.99 |
| 1 | Vend_Item1 | CRC_NUMBER1 | Blue Widget Small (123456789321) Ready to Wear | $ 44.99 | $ 44.99 |

A message requested especially for you:
This is a gift comment message

**Return Policy**
Items must be returned within **90 days**, except as follows:

- **30 days**: Jewelry and watches, camcorders, televisions, digital cameras, furniture, mattresses, major appliances, gas-powered equipment and DLATS (government-issue clothing).
- **15 days**: Computers, tablets, GPS units and the following unopened items: software/peripherals, iPods and prerecorded music/videos/video games.
- **Non-refundable**: Gift cards; prepaid music, wireless and phone cards; opened iPods, intimate apparel, breast pumps and bathing suits; personalized items; special orders; firearms; ammunition. See our complete return policy online at shopmyexchange.com.

✂ - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

### Return Form

| Item | Description | Size | Qty | Returned Code |
|---|---|---|---|---|
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

From: _____
_____
_____

To:

**WADC ECOMMERCE RETURNS**
**1801 EXCHANGE PARKWAY**
**WACO, TX 76712-6908**

| Returned Code | Return Reason Description | | |
|---|---|---|---|
| 1 | wrong item shipped | 10 | defective product |
| 2 | wrong quantity shipped | 11 | too small |
| 3 | damaged in shipment | 12 | too large |
| 4 | duplicate shipment | 13 | not satisfied w/sizing |
| 5 | arrived too late | 14 | not satisfied w/color |
| 6 | wrong quantity ordered | 15 | exchange |
| 7 | wrong merchandise ordered | 91 | attempted to deliver 3 times |
| 8 | product quality unacceptable | 92 | customer refused at door |
| 9 | product unacceptable | 93 | unknown/undeliverable |
|  |  | 94 | carrier: other reason |

# Appendix D - Daily Checklist for PO Processing

✓     Print New Orders

✓     Confirm Shipments

      ✓    Enter correct Ship Method (Carrier) and tracking info.  Accurate shipment information is important as the info entered into Radial/VendorNet will be sent to the customer along with a link to the carrier's website with their tracking number.

✓     Process Invoices

      ✓    Invoice numbers must be unique and not reused

      ✓    Each PO must be invoiced separately

      ✓    Invoices require shipment confirmation in Radial/VendorNet for payment

✓     Review, Resolve and Release Comments in Supplier Review

      ✓    Click on "At Supplier Review" on the left hand navigation bar and the system will display the number of orders in the bucket.

      ✓    Click "Review Orders" at the top of the screen to review the details of the first order in the bucket. The order details and comments will display on the screen to review.

      ✓    Click on "Next Order" at the top of the screen or enter the specific order number in the Order Services Box to see the next order.  To respond/release the order click on "Add Comment" in the top right corner of the screen and provide a reply and click on "Save Comment".  Order will move to the "Retailer Review" bucket for the Exchange to review and action.

      ✓    Click on "Next Order to view the next order or click "Release Order" to remove the order from your Supplier Review Bucket.

✓     Estimated Ship Date (ESD) changes

      ✓    Any delayed purchase Orders must have the ship dates changed.  You can search all purchase orders for that item by searching the item number.

✓     Review "Overdue Orders Report"

      ✓    Click on Quick Reports

      ✓    Under Available Quick Reports, click on Detailed Overdue Orders

✓     Review any messages from The Exchange on Home page

**Appendix E - Drop Ship Supplier Compliance**

Click on the Link below located on the "Doing Business with the Exchange eCommerce" website:

https://www.aafes.com/Images/doingbusiness/drop-ship-compliance.pdf