



Shipping Requirements

Version 2.1

ADVANCE AUTO PARTS

SHIPPING REQUIREMENTS

These Requirements are incorporated into and are a part of every contract between Advance Stores Company, Incorporated dba Advance Auto Parts (“Advance”) and its suppliers (“Supplier”). In the event of a conflict between the terms and provisions of these Requirements and the terms and provisions of any separate written contract document (the “Purchase Agreement”) between Advance and the Supplier, the provisions of the Purchase Agreement shall govern.

1.0 MERCHANDISING

- A. Compliance. All Suppliers, including domestic, import and third party, must adhere to all requirements set forth in these Guidelines. Any deviation by Supplier without the prior written approval of Advance may, in the sole discretion of Advance, result in penalties as set forth herein and/or loss of all or a portion of Advance business.
- B. Order Fill Rates and Lead-Time. Order fill rates and lead-times will be determined between the Supplier, Advance Merchandising and Inventory Management. They shall be specified in Exhibit B to the Purchase Agreement between Advance and Supplier. Shipments are not considered complete until the agreed on minimum order fill has been reached or exceeded. Lead-times shall be used by the Advance Inventory Management Team to establish due dates on purchase orders. Advance will monitor shipment order fill at the item and line levels and lead-time. Failure to meet or exceed order fill and lead-times may result in disciplinary actions by Advance up to and including fines. Advance’s expectations are 100% order fill delivered on the scheduled due date and time. Continued failure to meet or exceed lead-times and first shipment order fill could result in loss of Supplier status.
- C. Product Shortages and Damages. Supplier shall recognize and settle all Merchandise Accounts Payable charge backs for concealed product shortages or damages within 45 days after notification by Advance. The Advance Receiving Department will accept delivery of the Supplier’s product by pallet/container count, but the product count and merchandise shortages or overages will be determined as product is put away. Any shortages or overages of merchandise will be noted and reconciled by Advance and the Supplier in writing.
- D. EDI, ASN, UPC. Supplier warrants that it is EDI, ASN ready and capable, and that it has one hundred percent (100%) UPC integrity.
- E. Master Product File. Supplier shall maintain on file with Advance’s Merchandising and Inventory Management (Rebuy) teams information containing pallet quantities, layer quantities, case quantities, order multiples, weights, dimensions, UPC, Case Labels, freight requirements, etc., for all Supplier products shipped to Advance. If any of this information should change, the Supplier shall notify the Advance Merchandise Manager and copy the Advance Inventory Management Manager in writing a minimum of thirty (30) days prior to the next product shipment.

- F. Product Changes. Supplier shall notify the Advance Category Manager and copy the Advance Inventory Management Manager, in writing, of any product supersessions, consolidations and packaging changes a minimum of thirty (30) days prior to the next product shipment. A product shall not be canceled from orders due to consolidation, packaging changes and/or supersession, without prior written authorization from the Advance Merchandising department. If any of this information should subsequently change, Supplier shall notify the Advance Merchandise Manager and copy the Advance Inventory Management Manager in writing a minimum of thirty (30) days prior to shipment. Changes in the Supplier's catalog, price sheets or noted by the Supplier on the packing slip are not acceptable notice. Any actions taken by Supplier which are not in compliance with this procedure shall be subject to penalties as set forth herein.
- G. Vendor Authorization Form. All suppliers must complete a "**Vendor Authorization Form**" (**Schedule 1**) at the time the original Purchase Agreement is negotiated. In addition, anytime information included on the Vendor Authorization Form changes a new Vendor Authorization Form must be submitted by Supplier to Advance with the new/changed information. The Merchandising Team will supply this form and be responsible for assuring the updated information is communicated to all areas within Advance which need this information.
- H. Inventory Levels. Advance will not carry extra merchandise due to Supplier holidays, system changes, plant closings or moves, company vacations, etc. The Supplier shall present a written notification to the Category Manager and Inventory Manager 45 days prior to any such event explaining how they propose to ensure adequate product supply or services during such time periods. The Supplier shall ship all orders to Advance on schedule. Advance's expectations are 100% order fill delivered on the scheduled due date and time.

2.0 TRANSPORTATION

A. General Information

1. Expedited Transportation Costs. Advance will not be responsible for any extra expenses incurred for expedited transportation of late-shipped merchandise. The extra expenses will be charged back to Supplier's account.
2. Non-Preferred Carrier Freight Claims – Advance will not be responsible for any uncollected freight claims associated with the use of non-preferred carriers (refer to Section D below on Advance Preferred Freight Carriers). These freight claims will be charged back to Supplier's account together with an Advance administrative charge.
3. FedEx, UPS, Parcel Post -- Advance will NOT accept "prepaid and add invoicing" on FedEx, UPS, or Parcel Post shipments. Any small package shipment should be shipped freight "Collect" on the carrier specified by Advance (UPS). Small package shipments should not be insured unless the Supplier receives written direction from Advance. UPS is Advance's preferred small parcel shipper.
4. Collect Air, Expedited Shipments – Advance will not be responsible for payment of collect air or expedited shipments unless Advance has pre-approved the charges in writing prior to shipment. Supplier shall show the name of the Advance representative providing written authorization for the expedited shipment on the BOL. If the shipment is not properly authorized by Advance in writing and prior to shipment, the collect air and expedited shipment charges will be charged back to the Supplier's account.

B. Bills of Lading (BOL)

1. Merchandise Descriptions -- Merchandise descriptions on all BOL must conform to the national motor freight classification description and class number(s) and shipping container requirements.
2. Required Information - All shipping containers, BOL or other receipts must show:
 - a. The full Supplier name followed by street address, city, state and zip code.
 - b. The shipper's name followed by street address, city, state and zip code.
 - c. All Advance purchase order numbers.
 - d. Number of pieces/pallets and weight (place on BOL only).
3. Single Daily Shipment – Supplier shall combine all shipments for any Advance Distribution Center and/or PDQ Warehouse on one BOL, provided the due date will not be affected, and make a single daily shipment to the Distribution Center. If the due date will be missed, Supplier may ship a partial shipment to assure meeting the due date.

C. Hazardous Material, Chemical, Liquid Shipments

1. General -- When applicable Supplier shall include MSDS and placards. All chemical or liquid shipments shall be securely sealed to prevent leaks. Product that is leaking when received may be returned to Supplier, if faulty packaging causes the leaking. In addition, the Supplier may be charged for labor required for cleaning the product. Where required, inner seals and/or childproof lids must be used.
2. Hazardous Material Shipments -- All hazardous material shipments must conform to all federal, state, and local laws including, but not limited to, the US Department of Transportation-Hazardous Materials Regulations-CFR, Title 49, Sections 171-177, specifying the proper descriptions, labels, shipping papers, placarding, packaging, markings and exceptions.

D. Advance Transportation Core Carrier Program

1. Advance Auto Parts has established a core carrier program of carriers to include small parcel, less-than-truckload and truckload carriers. Regardless if the vendor is on the Advance Auto Parts freight program or not, the Suppliers are required to follow the program and utilize the carriers as defined below:

Small Parcel Carrier – UPS is the core small parcel provider. A small parcel shipment is defined as weighing less than 250 pounds and/or containing no more than 10 cartons. Shipments that are not prepaid by the vendor must be freight collect with the general ledger account code noted in the reference field.

Less-than-Truckload shipments are defined as weighing between 251 pounds and 5,000 pounds. The Advance Auto Parts LTL core carriers are:

Estes Express Lines
Southeastern Freight Lines

UPS Freight

These carriers are required regardless of freight “Prepaid” or “Collect”.

Truckload shipments are classified as any shipment over 5,000 pounds. All freight collect routings will be managed by the load control center. The vendor will call 540-561-3561, 540-561-6920 or 540-561-3591.

Suppliers shipping freight “**Prepaid**” or “**Collect**” are required to use Advance Auto Parts core carriers for small parcel and less-than-truckload as defined above. The use of the AAP core carriers will assist in more consistent delivery and improved efficiency at the distribution centers. **Failure to utilize the AAP core carriers for inbound freight “Prepaid” or “Collect” shipments will result in a penalty of \$1000 per shipment.**

2. Assistance -- If assistance is needed, or if you require additional information, please contact the Load Control Center at (540) 561-3561 or 3591.

3.0 DISTRIBUTION CENTERS (RECEIVING)

The goods ordered on an Advance purchase order shall be scheduled to be delivered according to the “Ship to Arrive” date on the Purchase Order (EDI 850 doc). Every Supplier is to use this date as the date to have the order on the dock of the corresponding shipping address. The Supplier, or their designate, shall request, not less than 24 hours in advance, a delivery appointment for shipments to be delivered to an Advance Distribution Center (see below for telephone numbers). Requests placed outside of the normal business hours of 7:00 AM to 3:00 PM local time will not be replied to except during normal business hours. **NOTE: Regardless of which party schedules the delivery appointment, the Supplier is solely responsible for assuring the delivery is made.** This includes being accountable for any fines for late delivery or low order-fill as a result of late or missed deliveries.

A. Appointments

1. Appointment Information -- When requesting an appointment for delivery, the Supplier will be responsible for supplying the following information:
 - a. Advance purchase order number(s)
 - b. Carrier
 - c. Pallet count
 - d. Number of trailers, if applicable
 - e. Requested day/time of delivery
 - f. An explanation if requested appointment is different from “Ship to Arrive” date

Advance will reply with a confirmation within 1 hour of your phone request when received during the normal hours of operation, 7:00 AM to 3:00 PM local time. Requests received outside of the normal hours of operation will be replied to during normal business hours on the next business day.

2. Appointment Changes -- Once an appointment has been confirmed, the Supplier shall notify the receiving office immediately if there are any changes regarding the information in Section A.1 above. Failure by the Supplier to notify the receiving office may result in the assessment of penalties as set forth herein.

3. Appointment Rescheduling -- If an appointment cannot be kept for any reason, the Supplier shall notify the Advance receiving office, during hours of normal operation and in no case less than 12 hours prior to the scheduled time. Failure by the Supplier to notify the receiving office may result in penalties as set forth herein.
4. Missed Appointments -- All missed appointments may result in financial penalties as set forth herein. An appointment is defined as missed if the actual delivery time is one hour or more later than the scheduled appointment time. Vendors shipping prepaid will be subject to penalty if they do not meet a 90% on time delivery goal for scheduled appointments.

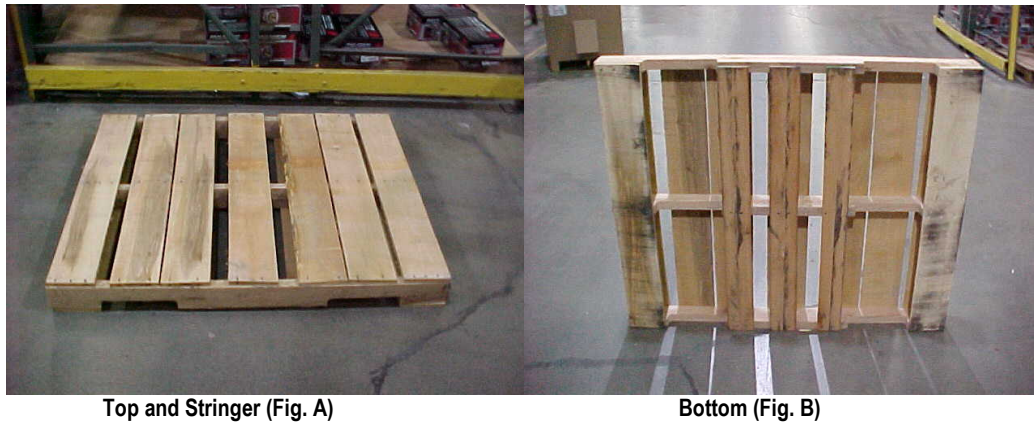
B. Receiving Office Numbers:

Below are the telephone numbers to use when requesting a delivery:

Roanoke, VA	540-561-4539 or 4531
Thomson, GA	706-597-7119
Delaware, OH	740-362-9767
Salina, KS	785-826-2442
Gastonia, NC	704-866-5537 or 5520
Lakeland, FL	863-284-2029
Hazlehurst, MS	601-892-6611
Lehigh Valley, PA	610-285-5726

C. Pallet Requirements

1. Pallets will be inspected at our receiving docks. Product delivered on pallets that are determined to be unacceptable will be restacked or reworked. Advance may elect to charge the Supplier for reimbursement for labor required to correct shipping problems.
2. Pallet Specifications - Pallets will be rejected if the following specifications are not met:
 - a. Measurement – 48” deep x 42” or 40” wide 4-way entry, hardwood construction.
 - b. Top Deck Boards – 7 boards, 5/8” to 3/4” evenly spaced with 4” maximum spacing: both end boards 5 1/2”, other boards 3 1/2”. (See Fig. A)
 - c. Bottom Deck Boards – Both end boards and a minimum of 3 center boards are to be the same board dimensions as top deck boards. No loose boards. (See Fig. B)
 - d. Stringers – No split or broken; no double stringers or block patched stringers; stringers 1 3/8” to 1 3/4” x 3 1/2” to 3 3/4” x 48”; no protruding nails. (See Fig. A)
 - e. Contamination – No chemicals, grease, or other agents that could soil or damage the product.
 - f. Bulk Fluids (Oil and antifreeze) must be shipped on “A” grade pallets
 - g. Advance auto Parts does not participate in the CHEP Pallet program



3. Pallet Height – The following pallet height requirements will be observed:
 - a. For product that has a single part number per pallet the maximum pallet height is 45 inches from floor to top of top layer.
 - b. For product that has mixed part numbers per pallet the maximum pallet height is 72 inches from floor to top of top layer. Items shipped in quantities that would facilitate a single SKU 45 in. pallet must be shipped on a single pallet and not mixed.
 - c. For bulk chemicals the maximum pallet height is 72 inches from floor to top of top layer. (Oil and Antifreeze)
 - d. For unusual shaped items, including, but not limited to, pipe, exhaust equipment, vent shades, bumper guards, etc; pallet height requirements are waived. However pallets must be packed to facilitate ease of handling and to maximize trailer utilization.
 - e. For promotional items, one time buys, prepacks or other products that will not be stocked in Advance Distribution Centers, pallets will be packed to achieve ease of handling and maximum trailer cube.

4. Pallet Preparation - All pallets shall be packed and arrive as set forth below:
 - a. Product shall be positioned on the pallet in such a manner that there is no overhang to the edges of the pallet.
 - b. If a “mixed” pallet is shipped, the MFG number with the smaller quantities must be stacked on top of the larger quantities. The only exception to this is if the smaller quantity of product is heavier than the larger quantity which could result in damages.
 - c. Part numbers are not to be mixed on pallets where the quantity ordered of a single part number is sufficient to make a full pallet load.
 - d. Product must be secured to pallets by plastic banding and/or stretch-wrap film. Loads using stretch-wrap film must use sufficient material to retain the load and cover the pallet to prevent load shifting.
 - e. Double stacking of 45” pallets is encouraged if product will not be damaged during transport.

5. Pallet Labeling – Pallets will be labeled as follows:
 - a. Each pallet will have a pallet manifest, which at a minimum will contain:
 - i. Ship From information (optional)
 - ii. Ship To information (optional)
 - iii. PO number
 - iv. Manufacturer Part Number(s)

- v. Advance SKU number(s) (optional)
 - vi. Quantity per part number
 - vii. Total Pallet Quantity
 - viii. Pallet # of #
- b. If a pallet contains mixed part numbers or sku's the pallet will be labeled with a "MIXED" sign. This sign must be clearly distinguishable from other documents on the pallet. A colored sign is recommended.
 - c. If a pallet contains one part number or sku the pallet will be labeled with a "FULL" sign. This sign must be clearly distinguishable from other documents on the pallet. A colored sign is recommended.
 - d. Prepacks are excluded from the Pallet Manifest requirement.
6. Pallet Exchange – Advance will not pay for pallets and will not exchange pallets.

D. Floor Loaded Containers

- 1. Unload Time Requirements: Advance requires a minimum of two hours to unload floor stacked containers. It shall be the Supplier's responsibility to arrange unload time with the carrier, unless the Supplier is using Advance's Transportation Management System in which case Advance makes delivery arrangements.
- 2. Container Condition: Floor loaded containers must be stacked and secured to prevent the contents from shifting or falling.
- 3. Detention or Late Fees: If detention or late fees are charged due to a poorly stacked container or due to the Supplier's failure to arrange two hours for delivery the Supplier will be responsible for the payment of all late fees.

E. Case (Carton) Labels

- 1. All cases will have a case label, with the exception of product shipped in display packaging or product in which the case is too small to apply a label. In these cases the case or display package must have the UPC label, Product Description, Part Number and Quantity.
- 2. All cases with case labels at a minimum will contain:
 - a) Supplier Part Number,
 - b) Product Description
 - c) UCC bar code
 - d) Inner Pack Quantity and/or Number of eaches
 - e) Indicate Mixed Product in case. If mixed, **do not** print UPC bar code
 - f) For product shipped in multiple cases, show Case # of # # on label (optional)

F. Advance Shipping Notification (ASN) – EDI 856 document

- 1. General - All shipments into Advance must be preceded by an ASN. Each purchase order on a shipment must have its own ASN.
- 2. Integrity -The ASN must match the Packing List, which shall match the contents of the trailer.

3. Compliance – The following are required for all ASN.
 - i. ASN quantities shall be expressed in eaches and shall match the quantity on the Packing Slip.
 - ii. For multiple shipments, including back orders, a unique number must be entered in both the BSN 02 and REF 02 fields for each PO.
 - iii. The BSN 02 field is an identifier, which shall be unique for each shipment.
 - iv. The REF 02 field is the BOL, which shall be unique for multiple shipments for the same PO.
 - v. The same BOL# may be used for different PO shipments.
 - vi. For UPS shipments, the tracking number should be used in the REF 02 field.
4. Requirements - For a copy of Advance Auto's full EDI requirements see **Schedule 2**. Non-compliance will be monitored and may be subject to fines.

G. Packing Slip

1. Agreement -- Every shipment into Advance must have a packing slip. The packing slip must agree with the ASN.
2. Packing Slip Information -- The packing slip must cover only what is shipped on that delivery. It must be prepared to the same level of detail as the Advance purchase order with the order number, MFG number, piece count and the total piece count shown. A maximum of one purchase order shall be shown on each packing slip.
3. Packing Slip Requirements -- The packing slip must not arrive on carbon paper. Advance requires a legible document. The packing slip shall either be attached to the BOL or shrink-wrapped to the last pallet loaded on the truck.

H. Backorders

1. Agreement -- Advance limits back orders except in specific categories and under special circumstances. Supplier must have prior approval from Advance's Inventory Management to ship back orders.
2. Requirement -- All back orders must be packed on separate pallets, not mixed on pallets with current order or with other back orders. When back orders are not large enough to fill a pallet, layer dividers must be used to separate back orders. Each back order should be labeled. All back orders must have a separate packing slip and ASN.

I. Misshipments

All product misshipments will be classified into two categories as described below:

1. Merchandise To Be Returned -- Merchandise will be returned by Advance to the Supplier when:
 - i. item(s) are shipped that do not appear on the Advance purchase order;

- ii. quantities are shipped in excess of the purchase order amount;
 - iii. merchandise is currently not carried by Advance in the receiving distribution facility.
2. RGA -- If the Supplier requires a RGA (Return Goods Authorization), Advance will request this in writing. The Supplier will provide a RGA to Advance within 48 hours of Advance's request. If the RGA is not provided within 48 hours of the request, Advance reserves the right to return the product, collect, to the Supplier.
 3. Merchandise to be Re-Routed -- Merchandise shipped to the incorrect Advance location will be rerouted by Advance to the correct Advance location. The Supplier will be responsible for any additional freight charges incurred.

J. Shipments of Aerosol or Hazardous Products

1. Aerosol Products -- All aerosol products shall be identified by the Supplier on the exterior of the cartons including the aerosol product's hazard level and classification.
2. Hazardous Materials -- All hazardous materials must comply with the rules defined by the Department of Transportation (DOT) for packaging, placarding and documentation.

4.0 DISTRIBUTION CENTERS (RECLAMATION)

A. General

1. RGA Policy: The Supplier shall provide Advance with a blanket or open RGA number for defects and core returns. If Advance returns cores or defective products to a Supplier without an RGA, Advance will notify the Supplier before shipping. The Supplier shall be responsible for any and all costs incurred including, but not limited to, freight, storage, re-delivery for refused shipments, etc.
2. Change of Address: Any Supplier *return-to* change of address, *return-to* contact information, telephone or fax numbers and/or e-mail addresses must be updated using the "**Vendor Authorization Form**" (see **Schedule 2**).

B. Cores

1. Core Handling Policy -- Before the first product shipment is made by Supplier, the Supplier shall provide Advance a core handling policy that must be agreed to in writing by Advance and the Supplier. This policy shall not be modified without the prior written approval of the Advance Senior Vice President of Merchandising.
2. Core Returns -- Due to space limitations, Suppliers are expected to respond to Advance's request to return cores on a timely basis.
3. "Old" Supplier Core Handling Responsibility -- A new Supplier shall be responsible for the core handling for all products in the same product category (as the new Supplier's products) which were previously shipped to Advance by a prior Supplier or an "old" Supplier.

C. Callbacks of Overstock and Discontinued Merchandise

1. Product Callback -- At the time of notification of a product callback, the Supplier shall provide the complete ship-to address, contact person and information, method of transportation and RGA number(s) necessary for the return. The Supplier or its designate must be capable of accepting all returns from Advance within the time frame of the callback. Advance will not be responsible for holding the Supplier's merchandise. If the Supplier cannot handle the volume of returns they are responsible for making arrangements for storage. If the Supplier fails to accept the full volume of returns within the time frame of the callback, Advance has the option of making storage arrangements and charging any and all costs back to the Supplier.

5.0 ELECTRONIC DATA INTERCHANGE REQUIREMENTS

Current requirements: Version (Ansi-x-12) 4010
EDI ID—007941529 Qualifier---01
PERFERRED EDI Method AS2
Contact AAP for information
Other Sterling Commerce (877-432-4300)
Phone #540-561-1637
#540-561-1711
Fax #540-561-1668

- A. EDI Requirements -Advance requires all Suppliers, including domestic, import and third party, to use Electronic Data Interchange (EDI). This is the exchange of routine business transactions in electronic format covering such traditional applications as Test Results, Purchase Orders, Acknowledgments, Advance Ship Notices, Invoices and Payments. At present, Advance transmits Purchase Orders (850), Purchase Order Change Request (860), Purchase Order Change Acknowledgement/Request (865) and receives Advance Ship Notices (856) and Invoices (810). **See Schedule 2 for details of all EDI Requirements.**
- B. EDI Transactions - All Transactions, Purchase Orders (850), Purchase Order Change Request (860), Purchase Order Change Acknowledgement/Request (865), Advance Ship Notices (856) and Invoice (810) will use version 4010.
- C. Functional Acknowledgements - Suppliers will send Functional Acknowledgements (997) to Advance for all purchase orders. Advance will send Functional Acknowledgements (997) to Suppliers for all Advance Ship Notices and Invoices.
- D. EDI Mapping - EDI data from Suppliers shall comply with all transactions (850, 860, 865, 856 and 810) and Advance's EDI mapping specifications. Advance does not use partner specific mapping.
- E. EDI Testing – All EDI testing will be handled by the Advance EDI coordinator. New suppliers will have 60 days after initial contact to complete Purchase Order (850) receipt and Functional Acknowledgement (997) testing. Suppliers will remain in testing until their EDI data meets Advance requirements. Suppliers have 90 days after initial contact to successfully complete testing for all transactions. Suppliers that send data through EDI without being approved in writing by Advance may be subject to payment delays (such as 810 invoicing).
- F. Third Party Help – For any third party help, Supplier or the Third Party should contact Advance's EDI department directly at 540-561-1637.
- G. Requirements – The following are additional requirements the Supplier must meet;

- i. Supplier shall send the Functional Acknowledgement (997) within 24 hours after receipt of the Advance Purchase Order (850).
- ii. The Advance Ship Notice (856) shall be received prior to the shipment arriving at an Advance Distribution Center. Each purchase order on a shipment must have its own ASN. ASN's received after the shipment arrives will be considered as late.
- iii. The Invoice (810) will be sent at the same time as the Advance Ship Notice (856).
- iv. Advance will send the Functional Acknowledgement (997) within 24 hours after the Invoice (810) is received.

6.0 UCC STANDARDS

- A. General - All products being shipped to an Advance store, distribution center and/or PDQ warehouse must have either (1) a twelve (12) digit self checking UPC label or (2) an EAN-8 or EAN-13 label which conforms to the standards set forth by the Uniform Code Council (UCC). For any product that does not adhere to this requirement, the Supplier shall be subject to a non-compliance penalty as set forth herein. In addition, all merchandise must be thoroughly labeled with the Advance part number series as mutually agreed upon in writing by Supplier and Advance.
- B. UCC Membership – All companies that sell products to Advance shall be a member of the UCC. UCC can be contacted at:

Uniform Code Council
9163 Old Yankee Road
Suite J
Dayton, OH 45459
(800) 543-8137

http://www.uc-council.org/ean_ucc_system/index.cfm

7.0 INVOICE PREPARATION INSTRUCTIONS

- A. Invoice Preparation -- The invoice shall be prepared by Supplier with the same level of detail as the ASN and the packing slip. The invoice shall contain the quantity shipped by Supplier for each Advance SKU number and shall reference the Advance SKU number. Paper (hard copy) invoices or credit memos shall be sorted in either Advance SKU number order or in Manufacturer # order. There must be only one Purchase Order number billed on an invoice. Costs billed should be carried out a maximum of 3 decimal places. Supplier's failure to comply with this instruction will result in penalties as set forth herein.
- B. Quantity -- The total quantity shipped must equal the total quantity billed. The total quantity billed will be indicated at the bottom of the invoice. Supplier's failure to comply with this instruction will result in penalties as set forth herein.
- C. Order Numbers -- The Advance order number and purchase order number shall be referenced on the invoice.
- D. Invoice – ASN Match -- A single invoice per ASN is required.

- E. Warehouse Return to Vendor (WRV) -- Suppliers shall issue credit for merchandise returned by Advance to the Supplier upon receipt by Supplier of the returned goods or as otherwise agreed upon in writing by the Supplier and the Advance Merchandising Department. If Advance does not receive credit from the Supplier for agreed upon returns, the dollar amount of the WRV merchandise will be deducted from the Supplier account within 60 days of the return date, unless terms are otherwise specified in the contract between supplier and Advance.
- F. Credit Memos – The Advance WRV number must be referenced on all credit memos. All credit memos for returned product must show the Advance WRV number and subtotals for product core and unit value in addition to subtotals for quantity in order to be processed.
- G. EDI Invoicing Errors - The EDI coordinator will contact Supplier when there are errors preventing Advance from correctly receiving the electronic submission of the invoice. Supplier's failure to comply with instructions may result in penalties as set forth herein.
- H. Mailing Address -- Until 100% EDI compliant, each Supplier shall mail all invoices and credit memos to:
- Advance Stores Company, Incorporated
P.O. Box 2710
Roanoke, VA 24001
Attn: Merchandise Accounts Payable

8.0 REFERENCED DOCUMENTS

Schedule 1	Vendor Authorization Form
Schedule 2	EDI Requirements

9.0 PENALTIES

Supplier shall be subject to the following penalties if it fails to comply with the Supplier Requirements as set forth herein:

MERCHANDISING

Changes Regarding Product without Notification	\$1,000 per SKU
Supersessions without Notification	\$1,000 per SKU

TRANSPORTATION

Collect Freight on a Non-preferred Carrier	\$1,000 per shipment
Prepaid Freight on a Non-preferred Carrier	\$1,000 per shipment

INVENTORY MANAGEMENT

Late or Incomplete Shipments resulting amount in lost pulls and/or lost sales	10% of original purchase order
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DISTRIBUTION CENTERS

Missed Receiving Appointments	\$200.00 per occurrence
Shipping Errors	
• Missing or Late ASN	\$50.00 per occurrence
• Case Labels Missing or Incorrect	\$50.00 per occurrence
• Pallet Manifest Missing or Incorrect	\$50.00 per occurrence
• UPC Labels Missing or Incorrect	\$200.00 per occurrence

- Packing Slip Missing or Incorrect \$200.00 per occurrence
- Pallet condition (Photo Required) \$50.00 per occurrence
 - Height, broken, stacking, mixed skus across pallets
- Trailer Condition (Photo Required) \$200.00 per occurrence
 - Pallets fallen, Product Damaged

ELECTRONIC DATA REQUIREMENTS

Entering/correcting Supplier supplied data	\$75/hour
Correction of Discrepancies	\$75/hour
Digital Photographing/Manipulation of Supplier product images	\$75/hour

INVOICE INSTRUCTIONS

Quantity Not at Bottom of Invoice	\$100/invoice
Core Value Subtotal Omitted	\$100/invoice
More than one PO per invoice/credit memo	\$100/invoice
Missing SKU number on invoice/credit memo	\$100/invoice
Invoice/Credit memo not sorted	\$100/invoice
Errors on EDI invoices not corrected After multiple attempts to correct	\$100/invoice

**Unless Supplier disputes a chargeback within sixty (60) days, the chargeback will become final and payable.

10.0 DEVIATION FROM REQUIREMENTS

Any deviation from the requirements and conditions listed in this Supplier Requirements must have prior approval from both the Senior VP Logistics and the VP Merchandising.

11.0 SUPPLIER HOTLINE

Advance has a confidential means of communication for Suppliers to voice suggestions, concerns and recommendations or to report questionable activity or supplier relation issues.

(800) 277-2900

12.0 CONTACT

The Supplier Relations contact is:

Transportation Department
 Advance Auto Parts
 5008 Airport Road
 Roanoke, VA 24012
 540-561-3592 (phone)
 952-484-5175 (Min. Office)
 540-561-3554 (fax)
 cis@advance-auto.com

Schedule 1
Vendor Authorization Form

(Attach form

Schedule 2

EDI Requirements

Advance Auto Parts Electronic Data Interchange Requirements

Current requirements: Version (Ansi-x-12) 4010

EDI ID – 007941529 Qualifiers –01

Communication Connections

Sterling Commerce (877-432-4300)

GCommerce (515-288-5850 x217)

Direct connects:

AS/2

SFTP

FTP

Advance Auto Parts EDI Requirements

1. EDI Contacts:

B2BEDI@advanceautoparts.com

2. Advance Auto Parts Preferred EDI Communications:

Internet:

GCommerce: 515-288-5850

Web Site: www.gcommerceinc.com

VAN:

Sterling Commerce: 877-432-4300

Website: www.sterlingcommerce.com

3. Advance Auto Parts EDI Transactions:

Transmitting 850-Purchase Order's, 860-Purchase Order Change Request, 204-Motor Carrier Load Tender

Receiving 856-Advance Shipping Notice, 810-Invoice, 865-Purchase Order Change Acknowledgment, 214-Transportation Carrier shipment Status Message and 990-Response to a Load Tender.

Sending and Receiving 997's

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