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. In the event that a minimum order fill rate has NOT been established, it will be set at 97.0%. 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 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, for all levels of packaging.

E. Master Product File. Supplier shall maintain on file with Advance’s Merchandising and Inventory Management 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 along with the AAP PIM TEAM at AAPPIMTEAM@advance-auto.com in writing a minimum of thirty (30) days prior to the next product shipment.
1. **Master Product Data File.** In cases where a supplier provides Master Product Data at the inner pack level, it is required to also provide Master Product Data at the case pack level.

2. **Application Specific Suppliers/Products.** Advance requires suppliers to submit an ACES file every 30 days in order to maintain our application data for both catalog and coverage purposes. Suppliers must use both VCDB and PCDB version from current or previous month. Failure to meet these expectations will result in disciplinary actions by Advance up to and including fines. Any exceptions must be approved in writing by Director of Merchandising Operations.

F. **Product Changes.** Supplier shall notify the Advance Category Manager and copy the Advance Inventory Management Manager along with the AAP PIM TEAM at AAPPMTEAM@advance-auto.com, 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 Category Manager and copy the Advance Inventory Management Manager along with the AAP PIM TEAM at AAPPMTEAM@advance-auto.com 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. **Collect Freight Program.** Advance Auto Parts has a robust collect freight program. That is our preferred transportation model. If you are not on the program please contact our Vendor Inbound Freight Manager at 540 561-6904.
2. **DC appointments.** All shipments to Advance Auto Parts distribution centers require an appointment. See section 3.0 A. 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.

3. **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.

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 and pallets and weight (place on BOL only).
   e. A delivery confirmation appointment number, when applicable.

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.

**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**

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

1. 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.

2. Less-than-Truckload. Core carriers include:
   a. Estes Express Lines
   b. UPS Freight
   c. Southeastern Freight Lines (Regional carrier – both origin and destination must be in the SEFL network)

3. 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.

4. Failure to utilize the AAP core carriers for inbound freight “Prepaid” or “Collect” shipments will result in a penalty of $1000 per shipment.

E. Truck Load Shipments

1. All freight collect routings will be managed by the load control center. Email CIS@advance-atu.com or call 540-561-3561 with any questions. If a vendor is on the collect freight program there will be a separate freight contract and operational instructions.

2. All prepaid truck load shipments will be managed by the carrier. The vendor is allowed to use the carrier of their choosing as long as the appointment process in section 3.0 A below is followed.

3. Assistance. If assistance is needed or if you require additional information, please contact the Load Control Center at CIS@advance-atu.com or call (540) 561-3561.

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 and Piece 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 after the scheduled appointment time.

B. Receiving Office Numbers:

   Below are the e-mail addresses (preferred method) and telephone numbers to use when requesting a delivery:

   - Roanoke, VA: dc11receiving@advance-auto.com, 540-561-4539 or 4531
   - Thomson, GA: dc16receiving@advance-auto.com, 706-597-7153
   - Delaware, OH: dc23receiving@advance-auto.com, 740-362-8085
   - Salina, KS: dc22receiving@advance-auto.com, 785-826-2442
   - Gastonia, NC: dc25receiving@advance-auto.com, 704-866-5537 or 5520
   - Lakeland, FL: dc29receiving@advance-auto.com, 863-284-2029
   - Hazlehurst, MS: dc27receiving@advance-auto.com, 601-892-6611
   - Kutztown, PA: dc30receiving@advance-auto.com, 610-285-5726
   - Remington, IN: dc31receiving@advance-auto.com, 219-261-4443
   - Hartford, CT: dc41receiving@advance-auto.com

C. Pallet Requirements

1. **Pallet Inspection.** 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 ¾” evenly spaced with 4” maximum spacing; both end boards 5 ½”, other boards 3 ½”. (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 ¾” x 3 ½” to 3 ¾” 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 or any other pallet programs and is not responsible for returning CHEP Pallets or any other pallets.
   h. The use of Slip Sheets must be approved in writing by VP of Supply Chain, upon approval Supplier must follow Slip Sheet requirements document. To request the requirements document or request approval to use Slip Sheets contact aapscrteam@advance-auto.com. Once approved, Advance Auto Parts will continue to monitor the use and effectiveness of Slip Sheets, and may at any time discontinue using them at their sole discretion.

   Top, Bottom and Stringer (Fig. A)

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. Pre Pack should have AAP approved labeling reference example below.

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. If a full pallet cannot be made of a single part #, then it must be grouped together by layer and not mixed throughout the pallet or segregated across multiple pallets.
   e. 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, preferably machine wrapped, and cover the pallet to prevent load shifting.
   f. Double stacking of 45” pallets is encouraged if product will not be damaged during transport. If pallets cannot be double stacked, a no stacking label must be applied to every skid.
   g. Pallets must be comprised of a single Purchase Order

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
      ii. Ship To information
      iii. PO number
      iv. Manufacturer Part Number(s)
      v. Advance SKU number(s)
      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. Master Cartons cannot exceed 50lbs.
   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. Approval. The use of Floor Loaded Containers must be approved in writing by VP of Supply Chain. To request approval to use Floor Loaded Containers contact aapscrteam@advance-auto.com. Once approved, Advance Auto Parts will continue
to monitor the use and effectiveness of Floor Loaded Containers, and may at any
time discontinue using them at their sole discretion.

2. **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.

3. **Container Condition.** Floor loaded containers must be stacked and secured to
prevent the contents from shifting or falling.

4. **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 must contain:
   a. AAP Part Number,
   b. Product Description
   c. UCC bar code
   d. The PO Number
   e. Inner Pack Quantity and/or Number of eaches
   f. Must also be represented as a barcode
   g. Indicate Mixed Product in case. If mixed, **do not** print UPC bar code. If case
      contains mixed product a “Mixed” label must be applied
   h. For product shipped in multiple cases, show Case # of ## on label.

3. **UPC Label Requirements:**
   a. Minimum quality = ANSI grade “B”
   b. Minimum Bar height = 6mm
   c. Maximum Bar Length = 150mm
   d. Narrow bar/space width = 0.010” (10 mils)
   e. Quiet zones = 10x the narrow element
f. Color = Black printing on white matte finish only background
g. Quantity Scanned must match Master Product Data File

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

1. **General.** All shipments into Advance must be preceded by an electronic ASN document. Each purchase order on a shipment must have its own ASN and should be sent to AAP upon shipment. Supplier is solely responsible for making sure AAP has the ASN prior to delivery. However, preferred is 24 hours in advance as a minimum for domestic shipments.

2. **ASN Must Contain:**
   a. PO Number
   b. Piece Count
   c. Pallet Count
   d. Packing List
   e. Ship Date From Supplier

3. **International Orders.** ASN must be sent within 48hrs of product leaving Supplier Facility for shipment (prior to arriving at customs).

4. **Integrity.** The ASN must match the Packing List, which shall match the contents of the trailer.

5. **Compliance.** The following are required for all ASN.
   a. ASN quantities shall be expressed in eaches and shall match the quantity on the Packing Slip.
   b. For multiple shipments, including back orders, a unique number must be entered in both the BSN 02 and REF 02 fields for each PO.
   c. The BSN 02 field is an identifier, which shall be unique for each shipment.
   d. The REF 02 field is the BOL Number, which shall be unique for multiple shipments for the same PO.
   e. The same BOL# may be used for different PO shipments.
   f. For UPS shipments, the tracking number should be used in the REF 02 field.

6. **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 Auto Parts has a standard policy of ship and cancel on all purchase orders. Back orders are a rare exception to this policy and are limited to specific categories and very special circumstances. A supplier must have prior written approval from Advance’s Inventory Management to ship back orders for specific purchase orders. Approval is granted on a purchase order basis, and should not be considered a blanket approval for all shipments.

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. Missshipments

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:
   a. Item(s) are shipped that do not appear on the Advance purchase order;
   b. Quantities are shipped in excess of the purchase order amount;
   c. 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 24 hours of Advance’s request. If the RGA is not provided within 24 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).

3. **Invoice Link.** Kutztown DC utilizes Inmar for all reverse logistic needs. All Vendors need to be registered with Invoice Link and process all request where applicable through Invoice Link.

4. **Exceptions.** Any exceptions to reclamation processes must be approved in writing by VP of Supply Chain. To request exception approval contact aapscrteam@advance-auto.com. Once approved, Advance Auto Parts will continue
to monitor the exceptions, and may at any time discontinue them at their sole discretion.

**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 within 24 hours.

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 the Supplier is responsible for making arrangements for storage. The supplier must be capable of accepting all returns from Advance immediately upon callback notification, if the Supplier fails to accept the full volume of returns within 72 hours of the callback deadline; Advance has the option of making storage or shipping arrangements and charging any and all costs back to the Supplier. Any exceptions to the process must be approved in writing by VP of Supply Chain. To request exception approval contact aapscrteam@advance-auto.com. Once approved, Advance Auto Parts will continue to monitor the exceptions, and may at any time discontinue them at their sole discretion.

### 5.0 **ELECTRONIC DATA INTERCHANGE REQUIREMENTS**

Current requirements:

- Version (Ansi-x-12) 4010
- EDI ID—007941529 Qualifier---01
- Contact AAPPIMTEAM@Advance-Auto.com


**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/receives the following transactions:

1. Purchase Orders (850)
2. Purchase Order Acknowledgement (855) – Acceptance/Rejection at Transactional Level
3. Purchase Order Change Request (860)
4. Purchase Order Change Acknowledgement/Request (865)
5. Advance Ship Notices (856)
6. Invoices (810)

See Schedule 2 for details of all EDI Requirements.

B. EDI Transactions. All Transactions, Purchase Orders (850), Purchase Order Acknowledgement (855), 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 (850) and purchase Order Change (865) requests. 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, 855, 860, 865, 856 and 810) and Advance’s EDI mapping specifications. Partner specific EDI mappings are not supported by Advance.

E. EDI Testing. All EDI testing will be handled by the\x. New suppliers will have 45 days after initial contact to complete full order cycle testing from Purchase Order (850) receipt, Purchase Order Acknowledgement (855), Purchase Order Change (860), Purchase Order Change Acknowledgement (865), Advance Ship Notice (856) and Invoice (810). During this process all related Functional Acknowledgement (997) testing will also be completed. At the end of the testing cycle a Supplier will receive written notification that all aspects of EDI testing have been completed and approved. 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. AAP PIM TEAM at AAPPIMTEAM@advance-auto.com.

G. Requirements. The following are additional requirements the Supplier must meet;

1. Supplier shall send the Functional Acknowledgement (997) within 24 hours after receipt of the Advance Purchase Order (850) or Advance Purchase Order Change (865).
2. The Purchase Order Acceptance (855) must be received by Advance within 24 hours of order receipt notifying Advance of Acceptance or Rejection of the order.
3. The Advance Ship Notice (856) must be received on all shipments into Advance Auto Parts. Each purchase order on a shipment must have its own ASN and should be sent to Advance Auto Parts upon shipment. Supplier is solely responsible for making sure Advance Auto Parts has the ASN prior to delivery. However, preferred
is 24 hours in advance as a minimum for domestic shipments. International Orders – ASN must be sent within 48 hours of product leaving the Supplier facility for shipment (prior to arriving at customs). ASN’s received after the shipment arrives will be considered as late and penalties may apply as set forth herein.

4. Advance will send the Functional Acknowledgement (997) of the Advance Ship Notice and Invoice within 24 hours of receipt of the document.

5. The Invoice (810) must be provided for payment to be issued.

6.0 GS1 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 GS1 standards. 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.

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 Errors.** Failures during electronic transaction submissions will result in direct contact by Advance with instructions on correction and reprocessing plan. 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**

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vendor Authorization Form</td>
</tr>
<tr>
<td>2</td>
<td>EDI Requirements</td>
</tr>
</tbody>
</table>

9.0 **PENALTIES**

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

A. **Merchandising**

- Changes Regarding Product Without Notification: $1,000 per SKU
- Supersessions Without Notification: $1,000 per SKU
- Incorrect Product Data: $1,000 per SKU
- Failed ACES Requirements: $1,000 per Brand

B. **Transportation**

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

C. **Inventory Management**

- Late or Incomplete Shipments resulting in Fine: $500 per shipment  
  10% of what was not shipped

D. **Distribution Centers**

<table>
<thead>
<tr>
<th>Metric Description</th>
<th>Violation Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missing, wrong, misplaced and unreadable Labels (Includes UPC Barcodes)</td>
<td>$250 per shipment + $2 per label</td>
</tr>
<tr>
<td>Packing list not visible upon opening the trailer, missing within the shipment, or the packing list is not sorted by PO, or not accurate</td>
<td>$500 per shipment</td>
</tr>
</tbody>
</table>
### Pallet Manifest Missing or Incorrect
$500 per shipment

### Models shipped on non-standard pallets and not within AAP requirements (Photo Required)
$250 per shipment + $25 per damaged pallet *

### Trailer Condition - loads not secured properly, poor load quality, pallets fallen and product damaged (Photo Required)
$250 per shipment

### Mixed PO’s or models across pallets
$500 per shipment

### Product is not configured properly on the pallet
$250 per shipment

### Wrong product is shipped (includes wrong part # and brand)
$250 per shipment + labor cost to clean up product at DC & Stores

### Case Pack Quantity Conflict
$250 per shipment + $10 a carton

### Missing or Late ASN
$200 per Shipment

### Failure to pick up Core’s, Callbacks, RGA’s within allotted time.
$150 per Shipment per Week + any storage costs

---

**E. Electronic Data Requirements**

- **Missing Primary Images**
  $25 per image per period missing
- **Entering/correcting Supplier supplied data**
  $75/hour
- **Correction of Discrepancies**
  $75/hour
- **Digital Photographing/Manipulation of Supplier product images**
  $75/hour

**F. 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 transactions not corrected after 2 attempts**
  $100/transaction

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
Vendor Authorization Form

**VENDOR AUTHORIZATION FORM**

Vendor will not be created without the appropriate signatures, approved credit check, and signed contract.

**ACTION**

<table>
<thead>
<tr>
<th>Is setup dependant on POG rollout?</th>
<th>POG Date</th>
</tr>
</thead>
</table>

**VENDOR NO.**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**CATEGORY MANAGER**

<table>
<thead>
<tr>
<th>Name</th>
</tr>
</thead>
</table>

**VENDOR NAME**

<table>
<thead>
<tr>
<th>Address1</th>
</tr>
</thead>
</table>

**ADDRESS2**

<table>
<thead>
<tr>
<th>City/State</th>
<th>ZIP</th>
</tr>
</thead>
</table>

**PHONE NUMBER**

<table>
<thead>
<tr>
<th>Fax Number</th>
</tr>
</thead>
</table>

**FREIGHT TERMS (SHIPPING)**

<table>
<thead>
<tr>
<th>Freight</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Public Carrier</th>
<th>Own Truck</th>
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**FREIGHT COLLECT**

<table>
<thead>
<tr>
<th>Full Freight Allowance</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Deduct from Invoice</th>
</tr>
</thead>
</table>

**SHIPMENT FROM**

<table>
<thead>
<tr>
<th>Street Address</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City/State</th>
<th>ZIP</th>
</tr>
</thead>
</table>

**STREET ADDRESS**

<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Fax Number</th>
</tr>
</thead>
</table>

**REMITTANCE INFORMATION**

<table>
<thead>
<tr>
<th>Send payment to:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Vendor Name</th>
</tr>
</thead>
</table>

**STREET ADDRESS**

<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Fax Number</th>
</tr>
</thead>
</table>

**REMUNERATION INFORMATION**

<table>
<thead>
<tr>
<th>Shipments managers name</th>
</tr>
</thead>
</table>

**RETURN PRODUCT INFORMATION**

<table>
<thead>
<tr>
<th>Return product address</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City/State</th>
<th>ZIP</th>
</tr>
</thead>
</table>

**GENERAL DESCRIPTION OF GOODS PURCHASED/BRAND NAME**

<table>
<thead>
<tr>
<th>Address1</th>
</tr>
</thead>
</table>

**ADDRESS2**

<table>
<thead>
<tr>
<th>City/State</th>
<th>ZIP</th>
</tr>
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</table>

**PAYMENT TERMS**

<table>
<thead>
<tr>
<th>Payment terms</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Factoring</th>
<th>PMT terms w/factoring</th>
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**OPENING ORDER TERMS**

<table>
<thead>
<tr>
<th>Other payment terms</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Vendor name</th>
</tr>
</thead>
</table>

**PRODUCT LIABILITY CLAIM INFORMATION**

<table>
<thead>
<tr>
<th>Product liability claim address</th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>City/State</th>
<th>ZIP</th>
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</table>

**ACCOUNTING ONLY**

<table>
<thead>
<tr>
<th>Initials</th>
<th>Date</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Win signed</th>
</tr>
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</table>

Credit check attached

<table>
<thead>
<tr>
<th>Signed contract attached (or draft signed by VP)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Contract terms validated</th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>Contract forwarded to VID</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Not on Denied Parties List</th>
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</table>

**APPROVALS**

<table>
<thead>
<tr>
<th>Category manager (print name)</th>
<th>Date</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Category manager (signature)</th>
</tr>
</thead>
</table>

**PRODUCT SOLUTIONS DIRECTOR**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**MERCHANDISING VICE PRESIDENT**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**ACCOUNTING APPROVAL**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**ACCOUNTING APPROVAL**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**DIRECTOR - EPC DEPARTMENT**

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
</table>

**PROCEED BELOW TO FINISH SETUP (both pages required)**
## VENDOR INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Type</td>
<td></td>
</tr>
<tr>
<td>Vendor Name</td>
<td></td>
</tr>
<tr>
<td>Vendor #</td>
<td></td>
</tr>
<tr>
<td>Product Offering</td>
<td></td>
</tr>
<tr>
<td>Brand Name</td>
<td></td>
</tr>
<tr>
<td>Distributor</td>
<td></td>
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</table>

## VENDOR CONTACT INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Representative Contact</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>E-Mail Address</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDI Contact</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>E-Mail Address</td>
<td></td>
</tr>
</tbody>
</table>

## SKU INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of parts available from Vendor</td>
<td></td>
</tr>
<tr>
<td>Total # of parts that will be set up FDO</td>
<td>Will these FDO products be application specific?</td>
</tr>
<tr>
<td>Total parts that will be set up in as MST/PDQ/STK</td>
<td></td>
</tr>
<tr>
<td>Will MST/PDQ/STK items be flagged as FDO orderable?</td>
<td>If No, explain:</td>
</tr>
</tbody>
</table>

## DISPOSITION

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Destroy Code</td>
<td></td>
</tr>
<tr>
<td>Special Instructions</td>
<td></td>
</tr>
</tbody>
</table>

## FDO VENDOR SETUP REQUIREMENTS

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Why should this Vendor be added to FDO?</td>
<td>If Other, explain:</td>
</tr>
<tr>
<td>FDO Projected Annual Sales Volume</td>
<td>Previous Year Sales Volume:</td>
</tr>
<tr>
<td>Number of Ship-From Locations</td>
<td>In Days, how quickly will the Vendor be able to ship the product?</td>
</tr>
<tr>
<td>Will the Vendor be charging a Shipping &amp; Handling fee?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merchant / PSD Comments</td>
<td></td>
</tr>
<tr>
<td>Merchant Signature</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>Product Director Signature</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td></td>
</tr>
</tbody>
</table>

The above information must be filled out completely and all signatures present for FDO setup review to proceed. Review will not begin until all information is presented.
Schedule 2

EDI Requirements

Advance Auto Parts Electronic Data Interchange Requirements

Current requirements: Version (Ansi-x-12) 4010
EDI ID – 007941529 Qualifier –01

Direct connects:
AS2 - Preferred
FTP


EDI Contacts:   AAP PIM TEAM at AAPIMTEAM@advance-auto.com

Should a third party be needed to facilitate communications please reach out to the AAP PIM TEAM as indicated above for recommendations.

Advance Auto Parts EDI Transactions:

Outbound Documents
850-Purchase Order
860-Purchase Order Change Request
204-Motor Carrier Load Tender
997-Functional Acknowledgement

Inbound Documents
855 - Purchase Order Acknowledgement
856 - Advance Shipping Notice
865 - Purchase Order Change Acknowledgement
810 - Invoice
214 - Transportation Carrier Shipment Status Message and 990-Response to a Load Tender
997 - Functional Acknowledgement