



April 8, 2008

Dear Valued Vendor Partner:

In keeping with our strategic initiative to improve operating efficiency and foster future growth, the Navy Exchange is enhancing key components of its receiving systems in an effort to improve the flow of goods through its supply chain. Among these enhancements is the ongoing implementation of EDI.

We are committed to improving efficiency and believe strongly that the implementation of EDI documents will improve the business relationship between The Navy Exchange and your company. This will allow us to streamline processing of orders and improve shipment tracking and visibility.

The Navy Exchange will once again partner with SPS Commerce to facilitate this important conversion. A SPS Commerce representative will be contacting you to guide you through this process and explain the program in detail. If you choose to use your existing EDI system, you will need to test with SPS Commerce. If you choose not to use your existing system, questions regarding additional EDI options or services can be directed to SPS Commerce. A decision of which solution you will be choosing is due to SPS Commerce by **May 30, 2008**.

It is critical that our entire vendor community is in compliance with this EDI initiative. Please be aware that full compliance will be expected by **July 11, 2008**. An EDI partnership is mandatory for doing business with the Navy Exchange and we may discontinue doing business with any supplier who is not working towards a full partnership with the Navy Exchange on the mandatory transactions sets of 850/810/856.

We will be hosting a special live Webcast presentation on Thursday, April 24, 2008, at 2:00 PM EST (1:00 PM CST).

Attendance of this Webcast is strongly encouraged as it will introduce the program details and cover important deadlines. To register to attend the Webcast (there is no fee involved), please visit the program website at:

www.spscommerce.net

Username: nexvendor

Password: spscommerce

SPS Commerce has dedicated support representatives that are knowledgeable on the Navy Exchange program and can guide you through the process. You can reach them at (866) 245-8100 or e-mail at: clientservices@spscommerce.com

We appreciate your ongoing support in serving our special customers and thank you in advance for your assistance in this important endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tessa Paquette', is written over a white background.

TESS PAQUETTE
Senior Vice President
Chief Merchandising Officer