



NEXCOM TRADING PARTNER AGREEMENT (Ver K-2)

NEX Mission:

Provide quality goods and services at a savings and to support quality of life programs

Please complete this form and return to appropriate NEXCOM Buying Office/Buyer or Contracting Officer.

Fields with asterisk (*) are mandatory.

Incomplete forms cannot be processed or returned.

1.0 TRADING PARTNER INFORMATION

* Dun & Bradstreet (D&B) #: <i>(If none, provide explanation)</i>	
* Federal Taxpayer ID # (TIN): <i>(N/A for non-U.S. Firms)</i>	
* Company Name:	
* Address:	
* City:	
* State/Postal Code:	
* Country:	
* Phone:	
* Fax: <i>(If none, provide explanation)</i>	
* Email address: <i>(If none, provide explanation)</i>	
* POC Name:	
Do you do business under any other name(s) or Dun & Bradstreet #s?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please list (use separate sheet of paper if necessary):	



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2.0 PURCHASE ORDER (PO) INFORMATION	
* Company Name:	
* Address:	
* City:	
* State/Postal Code:	
* Country:	
*Phone:	
* Fax (dedicated fax line): Mandatory for auto fax program	

2.0 PO Supplement - This section will be completed by NEXCOM Code K	
Will PO be created in Lawson? <input type="checkbox"/> - Yes <input type="checkbox"/> - No	Will this be a QOE PO?
Will PO be created in RMS? <input type="checkbox"/> - Yes <input type="checkbox"/> - No	<input type="checkbox"/> - Yes <input type="checkbox"/> - No

3.0 POINT OF CONTACTS FOR NEXCOM BUYING OFFICE		
Military Sales Representative (if applicable)		
Company Name:		
President, CEO, Senior Officer:		
Address:		
City:		
State/Postal Code:		
Country:		
Phone:		
Name/Title	E-mail Address	Telephone
Parent Company:		
Regional Sales Manager:		
Local Representative:		
Credit Manager:		
Chief Financial Manager:		
Customer Service Representative:		
Logistics Manager:		



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4.0 SHIPPING POINT INFORMATION

Note: It is mandatory to list all shipping points *unless you are strictly a provider of services and only provide items or parts on-site during a service call*. If more than two shipping locations, attach a separate sheet identifying all shipping addresses

If PO address (section 2.0) and Primary Shipping Point are same, Check Box >>

* Company Name:	
* Address:	
* City:	
* State/Postal Code:	
* Country:	
* Phone:	
* Fax: <i>(If none, provide explanation)</i>	

Alternate Shipping Point

(Mandatory only if more than one shipping point is used)

* Company Name:	
* Address:	
* City:	
* State/Postal Code:	
* Country:	
* Phone:	
* Fax:	



5.0 REMIT TO (PAYMENT) CONTACT INFORMATION	
* Are the company's receivable factored?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If factored enter factor information below, if not, enter your company's information. If blank, default will be information under Trading Partner Information page 1 <i>"Factors" are used primarily by retail merchandise suppliers.</i> <i>If you are <u>not</u> a supplier of merchandise, the proper response is probably No.</i> <i>NOTE: Use this space to provide a POC for invoice questions or issues.</i>	
* Company Name:	
* Contact Name:	
* Address:	
* City:	
* State/Postal Code:	
* Country:	
* Phone	
* Fax:	
* Email address:	
* Who will we contact for paper invoices if needed?	

NEXCOM Finance Department Policies on changes to payment records and Factors

1. Electronic Funds Transfer (EFT) and Remit-to address changes **MUST** be: submitted at least 30 days prior to effective date, be on company letterhead and signed by an authorized officer of the company.
2. If using a factor, trading partner is limited to one factor at a time and must provide list of outstanding invoices, debit or credit memos owed to trading partner or previous factor prior to the effective date of the change in remit-to address. The effective date of the change in remit-to address should coincide with an invoice date. Trading partner remains responsible for refunding any outstanding charge-backs to NEXCOM and for refunding to its factor(s) any charge-back amounts that NEXCOM deducted from factor payments.
3. Additional information on NEXCOM's policy regarding factors can be obtained from the Electronic Data Interchange (EDI) Business Team at edibusinesssteam@nexweb.org.



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6.0 NEXCOM BUYER /CONTRACTING OFFICER

(This section will be completed by NEXCOM Code K)

Buyer/Contract Specialist Name:	
Departments Involved:	

7.0 TERMS/SHIPPING/FREIGHT/MINIMUMS

(Where applicable, this section will be completed by NEXCOM Code K after terms have been negotiated.)

* Purchase/Payment Currency (USD = US Dollars)		
* Payment Terms (example 2% 30):		
* FOB: <i>(always Destination for Services)</i>	<input type="checkbox"/> Destination <input type="checkbox"/> Origin	
Lead Time (Days): NEXCOM requests that replenishment lead-time not exceed 10 days. Lead time impacts Ship Not Before Date		
Pre-ticket Vendor?		
Vendor Minimums: There can be 2 different minimums utilizing and/or. Examples : 10 cases or \$500 100 lbs and \$500	<input type="checkbox"/> None	
	<input type="checkbox"/> Weight	<input type="checkbox"/> Pounds: _____ <input type="checkbox"/> Kilograms: _____ <input type="checkbox"/> Other: _____
	<input type="checkbox"/> Amount (cost)	Value: _____
	<input type="checkbox"/> Volume	<input type="checkbox"/> Cubic Ft: _____ <input type="checkbox"/> Cubic Yard: _____ <input type="checkbox"/> Other: _____
	<input type="checkbox"/> Pallet	Pallets: _____
	<input type="checkbox"/> Case	Cases: _____
	<input type="checkbox"/> Unit	Eaches: _____



8.0 RETURN POLICY
(Where applicable, this section will be completed by NEXCOM Code K after terms have been negotiated.)

Trading partner must check one of the options below.

If neither is checked then the default is option 1.

Option 1 – Defective/Returned Merchandise Allowance:
 Trading Partner will allow defective/returned merchandise allowance as listed in SECTION 9.0 TRADING PARTNER INFORMATION ALLOWANCES SECTION BELOW. The percentage must be adequate to cover processing costs.
 NEXCOM facility may dispose of returned merchandise through salvage outlets
 NEXCOM facility must destroy merchandise
 NOTE: If actual returns exceed the allowance received, NEXCOM will generate a claim for the difference

Option 2 – Return Merchandise to Vendor
 Defective/Returned merchandise will be sent from NEXCOM facility to Trading Partner. If Trading Partner requests the returned merchandise be sent to them they will be charged current cost plus a 10% handling charge and the merchandise will be shipped with return freight charges billed back to the Trading Partner.

Permanent Return Authorization (RA) Number:	
If automatic return is not possible, a toll-free number or e-mail address must be provided to secure a Return Authorization.	
Phone Number:	
Email:	

Address to Ship Returns

Company Name:	
Contact Name:	
Address:	
City:	
State/Postal Code:	
Country:	



9.0 TRADING PARTNER ALLOWANCE AGREEMENT

*(This section generally applies to retail merchandise suppliers
IF applicable, NEXCOM Code K will be complete this Section.)*

Effective Date From:		Effective Date To:
Allowance	%	Details
<input type="checkbox"/> Damage Allowance		
<input type="checkbox"/> Freight Allowance		
<input type="checkbox"/> Coop Advertising		
<input type="checkbox"/> Display/End Cap		
<input type="checkbox"/> Quantity Allowance		
<input type="checkbox"/> Special		
<input type="checkbox"/> New Item Introduction		
<input type="checkbox"/> Truckload		
<input type="checkbox"/> Promotional		
<input type="checkbox"/> Trade		
<input type="checkbox"/> Distribution		
<input type="checkbox"/> New Store/Warehouse		
<input type="checkbox"/> Price Protection		
<input type="checkbox"/> Display Samples @ no charge		
<input type="checkbox"/> Customer Giveaways		
<input type="checkbox"/> Drawings		
<input type="checkbox"/> Vendor Fixtures		
<input type="checkbox"/> Stock Balancing		
<input type="checkbox"/> In-store Vendor Service		
<input type="checkbox"/> In-store Signing Allowance		



10.0 REPLENISHMENT METHOD

*(This section generally applies to retail merchandise suppliers
IF applicable, NEXCOM Code K will be complete this Section.)*

Fashion Orders Only No Replenishment

NEXCOM's Auto-Replenishment (preferred method of replenishment.
Other methods require approval by Divisional Planning and Replenishment and
Director, Supply Chain Systems)

NEXCOM's Store Order Method

NEXCOM's Quick Order Entry Method

Vendor Managed Inventory (VMI)
Contact EDI Business Team for check-list and submit along with Trading Partner
Agreement

Scan-Based Trading – Contact EDI Business Team for further discussion

NEXCOM Merchandising Auto-Cancel Program:

Auto-cancel is set as “yes for auto replenishment generated orders. The purchase order will close after first receipt depending on geographic location: U.S. or Overseas and location type: store or warehouse. Setting Auto-cancel to “no” requires Divisional Planner approval and notification sent to EDI Business Team.

NEXCOM's valid replenishment types:

It is the Buying group's responsibility to ensure the Trading Partner understands the rules for QOE or VMI.

A/R - Auto Replenishment – Oracle Retail generates replenishment orders based on sales, inventory and established minimum and maximum stock values.

Vendor Managed Inventory – Authorized Trading Partners will set up their systems to generate replenishment orders at a minimum, based on sales, inventory, and established minimum and maximum stock values.

Store Order - The store associate places an order direct to the Trading Partner using the store's handheld device, based on the active, authorized assortment. A new unique purchase order number will be created and transmitted to the Trading Partner via EDI or Faxcom. This new unique purchase order number must be used when invoicing NEXCOM

Quick Order Entry - Quick Order Entry is utilized for daily store delivery type of merchandise for those Trading Partners that are able to provide the billing invoice at the time of delivery. The purchase order, receipt and invoice match will be created at time of receipt for those Trading Partners. Only authorized assortment items will be accepted for delivery, unauthorized items will be refused. A Purchase order number will NOT be required on the QOE invoice, as the purchase order will be created at time of receipt at the store. In order to ensure accurate cost prices in our merchandising system it is imperative that **ALL** cost changes be submitted to the NEXCOM Buyer no later than 30 days prior to the effective date of the cost change.



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11.0 EDI

*(This section generally applies to retail merchandise suppliers
IF applicable, NEXCOM Code K will be complete this Section.)*

EDI Readiness (Mandatory 850 Purchase Order / 810 Electronic Invoicing 30 Days,
856 Advance Ship Notice (ASN) 90 days)

850 / 810 Yes No - when will you be ready to test?

856 ASN Yes No - when will you be ready to test?

EDI Contact Name:

Email:

Address:

City:

State/Postal Code:

Country

EDI Trading Partner Qualifier

Interchange Control Header - ISA07/08 Test:

Interchange Control Header - ISA07/08 Production:

Value Added Network (VAN):

Do you currently do EDI via a direct connect?

Yes No

Which EDI translator software are you using?

What EDI versions do you support?



11.1 EDI AGREEMENT

(This section applies ONLY to retail merchandise suppliers at this time.)

This ELECTRONIC DATA INTERCHANGE ("EDI")
TRADING PARTNER AGREEMENT
is made as of _____, 2_____, by and between the Navy Exchange Service
Command ("NEXCOM") and _____ ("Vendor").

Recitals

The parties desire to facilitate purchase and sale transactions ("Transactions") by electronically transmitting and receiving data in agreed formats in substitution for conventional paper-based documents and to assure that such Transactions are not legally invalid or unenforceable as a result of the use of available electronic technologies for the mutual benefit of the parties.

GENERAL SPECIFICATIONS

1. It is agreed by both parties that the Document in its electronic form and in the ANSI (American National Standards Institute) format is the equivalent of the corresponding conventional paper based Document.
2. This agreement is executed by the parties as evidence of mutual intent to create binding purchase and sale obligations identical to those effected by the transmission, receipt and acceptance of a paper order.
3. Upon proper receipt of a Document, the receiving party shall transmit a 997 Functional Acknowledgment transaction set in return within 24 hours. A Functional Acknowledgment shall constitute conclusive evidence that a Document has been properly received. If a Document is received in an unintelligible form, the receiving party shall promptly notify the originating party. In the absence of such a notice, the originating party's records of the contents of such Document shall control.
4. If feasible, the receiving party should accept all transactions with errors into their EDI system for review and correction, thus, salvaging the business transaction. Rejection back to the sender's network is highly discouraged. However, we realize that some systems will not process transactions that contain errors. The originating party's EDI Specialist should be contacted by phone or FAX of the transaction error, so corrective action can be taken.
5. These terms are to be considered part of any other written agreement, specifically the terms and conditions of our paper Documents.



A. SECURITY

- 1) **Signature:** Each party will adopt as its signature an electronic identification consisting of a code, which is to be contained in each ISA transmission control envelope. In addition, each party will adopt the same or a different code, which is to be contained in the GS group control envelope. This/these code(s) will constitute the signature(s) of the parties. Each party agrees that any signature(s) contained in any electronic transmission will be sufficient to uniquely identify and verify the originating party. Neither party shall disclose to any unauthorized person the signature(s) of the other party.
- 2) **System Operation:** Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to ensure the integrity and reliability of the transmission and receipt of all Documents.
- 3) **Authorization:** Each partner agrees to utilize adequate security practices which are reasonably sufficient to meet the following standards: (a) Trading Partners should ensure that the transmission of each transaction set is authorized, (b) Trading Partners should protect records and data from improper access, (c) Trading Partners shall protect and maintain confidentiality and integrity of passwords used for EDI access, (d) Each Trading Partner further agrees that its software shall provide adequate protection for password security, (e) The Trading Partners shall maintain the same standards of confidentiality, security, care, and diligence regarding EDI transactions as with paper contracting documents, and (f) The Vendor agrees to comply with applicable laws and regulations governing computer security. Examples of the types of information security concerns are authorization codes, passwords, and physical control of access to equipment and facilities.

B. ELECTRONIC TRANSMISSIONS

- 1) **Acknowledgment of Proper Receipt:** Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the receiving party.
- 2) **Verification:** Upon proper receipt of any Document, the receiving party shall properly and promptly (no later than 24 hours after proper receipt) transmit a functional acknowledgment in return. Functional acknowledgment (997) shall constitute conclusive evidence that a Document has been received.



C. TRANSACTION TERMS

- 1) Purchase Order Terms and Conditions: This Agreement is to be considered part of any other written agreement governing the Transaction. In addition to any other written agreement, such Transaction and this Agreement shall be subject to the General Provisions set forth in NEXCOM Publication 61, unless waived or modified by specific reference in writing by NEXCOM. A copy of Publication 61 is available on NEXCOM's web site <https://www.myNavyExchange.com/command/contractor_vendor/cv-corp.html>.
- 2) Transaction Amendment: Requests for amendment to previously transmitted EDI Documents are required in written format to the NEXCOM Buyer. This includes additions, deletions, and corrections.
- 3) Validity: NEXCOM and the Vendor agree that any electronic Document meeting the ANSI standards designated under the terms and signature specifications described in this agreement shall be deemed to be in writing, to have been signed, and to constitute an original when printed from electronic files containing the data in its original ANSI format. Paper reproductions of electronic Documents, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible to the same extent and under the same condition as like Documents originated and maintained in paper form.

D. MISCELLANEOUS

- 1) Either Trading Partner may terminate this Agreement by providing a 30-day written notice which notice shall specify the effective date of termination. The agreement may be terminated without further notice by either partner if the other partner's EDI performance level is unacceptable and if the Trading Partner does not correct performance within 15 calendar days after written notification of defective performance. Once terminated for unacceptable EDI performance, the agreement will not be renewed until the Trading Partner having unacceptable EDI performance provides sufficient evidence that performance deficiencies have been corrected, and such evidence must be acceptable to the other Trading Partner.
- 2) This Agreement shall remain in effect until terminated by either party with prior written notice specifying the effective date of the termination. Any termination shall not affect the respective obligations or rights of the parties under the terms of this Agreement for any documents transmitted or received prior to the effective termination date.



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- 3) Both parties have the right to an emergency termination of computer connections in order to protect data from unauthorized access or other incidental damage. This action does not constitute termination of the Trading Partner Agreement. Any such action outlined above does not excuse the Vendor from their obligation to perform under any U.S. Government contract, purchase order, delivery order, or other obligation; therefore, all such terms and conditions remain in full force and effect.
- 4) The Trading Partner Agreement may be terminated if quality control features such as: (a) Failure to maintain the EDI operation or demonstrate EDI proficiency, or (b) Failure to maintain trained operators and support personnel to process the EDI day-to-day operations.
- 5) Testing: EDI Transactions with Trading Partners will undergo a period of testing where transaction sets will be sent electronically for a mutually agreed upon time period.
- 6) Entire Agreement: This agreement constitutes the complete agreement relating to the matters specified in this agreement. No oral modification or waiver of any of its provisions shall be binding to either party. This agreement is for the benefit of and shall be binding upon both parties and their respective successors and assignees.
- 7) Force Majeure: Neither Trading Partner will be liable to the other for failure to properly conduct EDI due to war, accident, quarantine, restriction, riot, fire, explosion, flood, unusually severe weather, epidemic, power outage, labor dispute, embargo, act of God or of the public enemy, malfunction or inappropriate design of computer hardware or software; error of, or nonperformance by, the other Trading Partner's third party network; or any other cause beyond the Trading Partner's reasonable control.
- 8) Neither party will be liable for any damages resulting from delay, omission or errors in the transmission or receipt of a Document due to electronic causes. The Vendor must ship basic stock purchase orders complete in 3-5 business days. Late orders, substitutions, incomplete orders are not acceptable; all replenishment orders are "ship and cancel," unless otherwise specified.
- 9) Special or Promotional Orders may have different shipping date parameters as specified on the purchase order.

Our mailing address: **EDI Business Team**
 NEXCOM
 3280 Virginia Beach Blvd.
 Virginia Beach, VA 23452



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The following transaction sets are agreed upon for implementation:

Transaction Set	List your current EDI Transaction Set Capabilities	List Version	Your Future EDI Transaction Set Capabilities	Transmission Or Polling Frequency (Daily/Hourly)	NEXCOM Current Capabilities	NEXCOM Future Plans
850 Purchase Order					Y	
852 Product Activity					Y	
855 PO Acknowledgment					Y	
832 Price Sales Catalog					Y	
856 Advance Ship Notice					Y	
810 Electronic Invoice					Y	
820 Electronic Fund Transfer					Y	
864 Text Message					Y	
997 Functional Acknowledgment					Y	

ASN Profile

Is 856 generated by your systems or manually entered by a human?		<input type="checkbox"/> System <input type="checkbox"/> Manual
Is the 856 audited for accuracy?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the trigger for the ASN creation, systematic or manual?		<input type="checkbox"/> Systematic <input type="checkbox"/> Manual
How often do you transmit the ASN?	<input type="checkbox"/> Real Time <input type="checkbox"/> 12-24 times per day <input type="checkbox"/> 5-12 times per day <input type="checkbox"/> 2-4 times per day <input type="checkbox"/> 1 per day	
What days of the week do you transmit the ASN?	<input type="checkbox"/> Business days <input type="checkbox"/> 7 days per week including holidays <input type="checkbox"/> 7 days per week excluding holidays	

Authorized Signature:	
Date:	

NEXCOM Signature:	
Date:	



12.0 TRADING PARTNER AUTHORIZATION

I acknowledge this form accurately reflects all known information at this time. I agree that any updates to this document or additional programs negotiated during the program period will be documented and approved in writing by both parties.

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Authorized Signature:	
Print Name:	
Title:	
Date:	
For Company	

13.0 NEXCOM AUTHORIZATION (CODE K BRANCH MANAGER)

Authorized Signature:	
Print Name:	
Title:	
Date:	

14.0 NEXCOM SUPPLY CHAIN AUTHORIZATION

Authorized Signature:	
Print Name:	
Title:	
Date:	