

**NON-COMPLIANCE CHARGEBACK ISSUES AND SCHEDULE - IMPORT VENDORS**

**A Vendor Compliance chargeback will be issued for any Non-Compliance on the following:**

Origin Management / Import Logistics	Non-Compliance Issue	Non-Compliance Cost USD	Monitor Department
	All required and accurate shipping documents not submitted to the Academy's designated Freight Forwarder's origin office within 72 hours of vessel departure.	\$1,000	Import Logistics/Customs Compliance
	Importer Security Filing (ISF) data not supplied at time of booking with the Freight Forwarder	\$1,000	Import Logistics
	Factory on the Importer Security Filing (ISF) does not match factory on Purchase Order. Factory on ISF is an approved Academy factory.	First Offense - \$750: Repeat offense - each offense increases by \$1000	Import Logistics
	Factory on the Importer Security Filing (ISF) does not match factory on Purchase Order. Factory on ISF is an unapproved Academy factory.	First Offense - \$1000: Repeat offense- each offense increases by \$1000	Import Logistics
	Freight not booked 14 days prior to Start Date on P.O.	\$500	Import Logistics
	Cancellation of booking not made at least 7 days from vessel cut off	\$1,000	Import Logistics
	Import containers shipped light (less than Academy min cube requirement per container size)	Actual freight + \$250 admin	Import Logistics
	Shipping of cancelled product	All incoming charges incurred + any charges incurred to return product + \$1,000 or if goods are kept a \$1,000 penalty.	Import Logistics
	Late Shipment: When goods have a CFS Receipt Date or CY In gate date that is after the Academy Not After Date. <i>The new monitoring method using the In Gate date and/or CFS Receipt date for calculating late shipments is effective with orders shipping on 9/1/2017</i>	Chargebacks for late shipments will be assessed for all shipments that have a CFS Receipt Date or CY Ingate date that is after the Academy Not After date on the Purchase Order (PO). The amount of the chargeback will be determined as a percentage of the total cost of the portion of the PO that is late.	Global Production
		Number of Days late - Chargeback % (Applied against cost of late portion of PO) 1-5 days late - 3% 6-10 days late - 6% 11-15 days late - 10% 16-20 days late - 15% (or Pre-paid Air Ship, if mutually agreed upon)  21+ days late - 15% (or Pre-paid Air Ship, if mutually agreed upon) + Business Impact Assessment*	
	<i>*Business Impact Assessment – May include, but may not be limited to, any of the following:</i> • <i>Estimated sales and margin loss for items shipped late</i> • <i>Estimated sales and margin loss for items commonly purchased with items shipped late</i> • <i>Labor, freight and other charges associated with expedited warehouse operations and store delivery</i>		
	Air freight shipped collect without approval. This includes sample shipments.	Freight amount + \$500	Import Logistics
	ISF Penalty issued by US Customs for late or incorrect ISF	\$5,000 min; \$10,000 max	Import Logistics
	Storage/demurrage charges due to incorrect or missing document information to clear shipment with US Customs	Storage/Demurrage charges + \$500 admin	Import Logistics
	Import Freight Cost Incurred due to booking or shipping errors.	Freight amount + \$500	Import Logistics
	Product received damaged or not sellable	Actual landed cost + \$250 admin fee	Import Logistics
	Container Load Manifest not on a carton in the tail of the container (applicable to factory loaded containers)	\$1,000	Import Logistics
	Shipping (Imports) by non-designated freight carrier	Freight charges incurred + 1000	Import Logistics

If a chargeback has been issued against your company, please contact our Vendor Compliance Department at vendcomp@academy.com within 30 days, as penalties may be subject to reduction or reimbursement (except freight- related penalties). VC 05-24-18



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	Completed Corrective Action Plan (CAP) not returned by deadline or insufficiently completed.	\$2,000	Factory Compliance
	Party name and/or address on the Factory Security Questionnaire (FSQ) is not the same as information provided on the Factory Fact Sheet (FFS).	\$500	Factory Compliance
	Audit Firm's audit or research results do not support answers provided on factory's Factory Security Questionnaire (FSQ).	\$5,000	Factory Compliance
	Audit Reimbursement.	Cost of Audit	Factory Compliance
	No response from Supplier to Academy's Factory Security Questionnaire (FSQ).	\$500	Factory Compliance
	Factory Security Questionnaire (FSQ) completion deadline missed.	\$500	Factory Compliance
	Moving production to another factory without Academy's prior approval.	\$5,000	Factory Compliance
<b>Floor Ready Merchandise</b>			
	Incorrect / Missing UPC number for each unique, saleable item shipped.	\$1,000	Vendor Compliance
	Goods arrived without tickets or only partially ticketed.	\$250 + Labor Charges	Vendor Compliance
	Incorrect human-readable information (SKU, Retail).	\$250 + Labor Charges	Vendor Compliance
	UPC issues/barcode not scanning/missing or incorrect UPC.	\$1,000 + Labor Charges	Vendor Compliance
	Tickets mixed on goods between style, colors, and/or size.	\$250 + Labor Charges	Vendor Compliance
	Merchandise arrived with incorrect ticket placement.	\$250 + Labor Charges	Vendor Compliance
	Apparel shipped without size strip when required.	\$250 + Labor charges	Vendor Compliance
	Apparel shipped with non-approved hangers.	\$1,000 + Labor & Material Cost	Vendor Compliance
	Apparel designated to be hung, but shipped without hangers & crown sizers.	\$500 per 1,000 units + Labor & Material Cost	Vendor Compliance
	Merchandise ordered by size but shipped in pre-pack units or vice-versa.	\$1,000 + Labor Charges	Vendor Compliance
	Mixed SKUs or Pos within a carton.	\$500	Vendor Compliance
	Incorrect / Missing information or store number on carton labels.	\$500	Vendor Compliance
	Unscannable / Missing UCC - 128 carton label.	\$1,000	Vendor Compliance
	Handling requirements not noted on carton for hazardous or serialized items.	\$100	Vendor Compliance
	Error with EDI 856 or 810 Transmissions.	\$500	Vendor Compliance
<b>Private Label Packaging</b>			
	Vendor does not have pre-production/mock up approval	\$500	Academy Packaging Design
	Altering artwork or dieline without prior Academy approval	\$500	Academy Packaging Design
	Print production with low res images or elements without prior Academy approval	\$500	Academy Packaging Design
	Print production does not match the artwork; missing type, or other artwork elements	\$500	Academy Packaging Design
	Print production does not conform to published Academy coating specifications	\$500	Academy Packaging Design
	Vendor using non-nominated Suppliers without prior Academy approval (China only)	\$1,000	Academy Packaging Design
	Vendor, or vendor's chosen Supplier, does not comply with GMI evaluation process without prior Academy approval. It applies to new and annual reorder	\$1,000	Academy Packaging Design
	Print production does not conform to GMI approved samples	\$1,000	Academy Packaging Design
	Print production does not conform to published Academy substrate specifications	\$1,000	Academy Packaging Design
	Vendor, or vendor's chosen Supplier, does not use Academy nominated supplier without prior Academy approval	\$1,000	Academy Packaging Design

\* GMI is Academy appointed packaging color approval agency