Dear Party City Vendor,

As communicated in the introductory EDI and eCommerce information letter dated March 9th, 2004, Party City's goal is to have all suppliers trading EDI documents by July 1, 2004. This requirement applies to Party City Corporate Stores, at this time Franchised stores will continue to utilize fax PO's and receive paper invoices.

To assist our vendor base through the EDI integration process, Party City has partnered with Internet Commerce Corporation (ICC). ICC will be handling certification for all required EDI documents and connection verification with Party City.

As a vendor currently trading EDI invoices with Party City the following is a summary of the steps required to be in complete compliance with the vendor standards manual.

- Login and download required information on the Party City (http://www.icc.net/partycity)
- Sign testing, certification, and communication agreement acknowledgements
- Upgrade 810 invoices to VICS 4030 standard
- Implement VICS 4030 850 Purchase Orders
- Implement VICS 4030 856 Advance Ship Notice

VICS 4030 86O Purchase Order Changes and 832 Product Catalog documents will be a future Party City requirement.

You may find the entire EDI mapping / specification guidelines and Trading Partner initiation forms by going to the Party City Enablement Site located at http://www.icc.net/partycity. Additionally, the Enablement site lists a detailed break down of the costs associated with EDI document testing, certification and communications options.

The above site is currently under construction and will be available by March 9, 2004. Please check the site periodically for updated information.

You may connect to Party City by either a VAN (Value Added Network) or a direct connection utilizing AS2 technology. If a vendor chooses to use a VAN connection then the vendor will be responsible for all VAN charges (including kilo-character charges sent and received) incurred by Party City.

A direct connection via AS2 eliminates kilo-character charges and the costly expense of subscribing to a VAN. Vendors wishing to establish an AS2 connection with Party City may purchase a low cost AS2 software package from ICC Commerce. For more details on AS2 as well as pricing please go to the Party City Enablement Site (http://www.icc.net/partycity).

Please contact ICC Commerce Customer Support Team at (800) 828-3932, option 4 or email tgsupport@icc.net if you have any additional questions about the Party City EDI initiative.

Sincerely,

Miles Tedder
VP Logistics
Party City Corp