Pacvue

Rejected PO Rate Chargeback

Purchase Order Confirmation — Vendor Compliance

Vendor Guide

The **Rejected PO Rate chargeback** is based on the rate — **over 20%** — at which you reject or backorder the units of a product that Amazon orders from you. If you accept an order but reject more than 20% of the quantity in a given PO, Amazon will reduce your purchase price by **3% of COGS** for all units over this 20% threshold.

OVERVIEW

WHAT TRIGGERS THIS CHARGEBACK

This chargeback is triggered when you **reject or backorder more than 20%** of the units Amazon orders from you in a given PO. The factor assessed is your **confirmation rate**.

The 3% reduction applies to all units over the 20% threshold and will be surfaced to you in the form of a chargeback. This applies regardless of the reason for rejection — soft or hard.

PENALTY

3%

of COGS on units over 20% threshold

REJECTION THRESHOLD

20%

max rejection per PO

EXCEPTIONS

This chargeback will **not apply** to an order of a product if the total product units ordered from you in the **12 months preceding the PO submission date** are less than the **minimum unit threshold** for that product category.

Example: For a **baby product**, if Amazon has ordered less than **5,000 units over the prior 12 months**, the chargeback will not apply to that product's order. The minimum unit threshold is determined by product category.

HOW TO AVOID THIS CHARGEBACK

1 Use the Correct Acknowledgment Codes

- ✓ Use **hard rejection codes** for permanently unavailable products — avoids chargeback and signals Amazon to stop ordering.
- ✓ Avoid **soft rejection codes** unless absolutely necessary — these trigger the chargeback.

2 Manage Temporary Unavailability Proactively

- ✓ Treat **temporary issues** (e.g. out of stock) as soft rejections — chargeback applies.
- ✓ Treat **permanent discontinuation** as hard rejections — no chargeback, but Amazon may stop ordering.
- ✓ If temporarily unavailable, **proactively inform Amazon** of expected restock dates so they can pause ordering during that time.

3 Monitor System-Generated Orders

- ✓ Amazon systems may continue to send POs after you've marked items as unavailable — **regularly check and communicate availability updates**.

REQUIRED DOCUMENTS FOR DISPUTE

📋 REQUIRED DOCUMENTATION

Include all of the following when disputing a rejected PO rate chargeback:

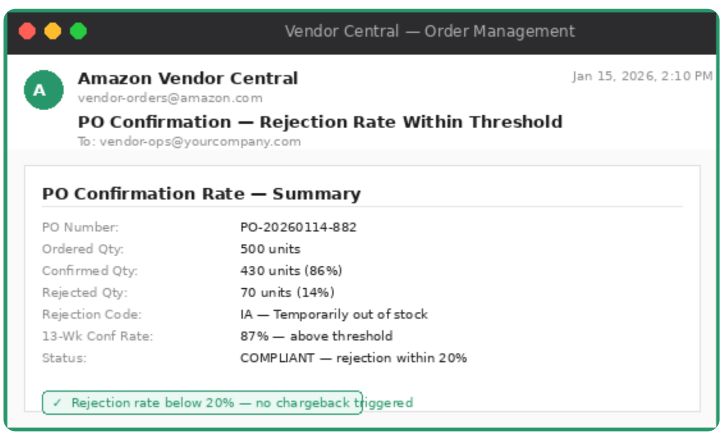
1. **Line-Level Confirmation Rate**
   Detailed confirmation rate data at the line level showing the accepted and rejected quantities per ASIN on the disputed PO.
2. **13-Week Confirmation Rate History**
   Historical confirmation rate report covering the prior 13 weeks to demonstrate compliance trend and context for the rejection.
3. **12-Month Order Volume**
   Total unit order volume for the product over the 12 months preceding the PO submission date — relevant for minimum unit threshold exception.
4. **Acknowledgment Codes Used**
   Record of the acknowledgment codes applied to the rejected units, confirming whether hard or soft rejection codes were used.
5. **Screenshot of PO Confirmation**
   Screenshot from Vendor Central showing the PO confirmation screen with confirmed and rejected quantities, ASIN details, and submission timestamp.

RATE CARD

CHARGEBACK TYPE	FACTOR	RATE	QUANTITY BASIS	THRESHOLD
Rejected PO Rate	Confirmation Rate	3% of COGS	Units over 20% rejection	>20% rejection per PO

DISPUTE EVIDENCE EXAMPLES

✓ Approved submission APPROVED



Vendor Central — Order Management

Amazon Vendor Central
vendor-orders@amazon.com
Jan 15, 2026, 2:10 PM
PO Confirmation — Rejection Rate Within Threshold
To: vendor-ops@yourcompany.com

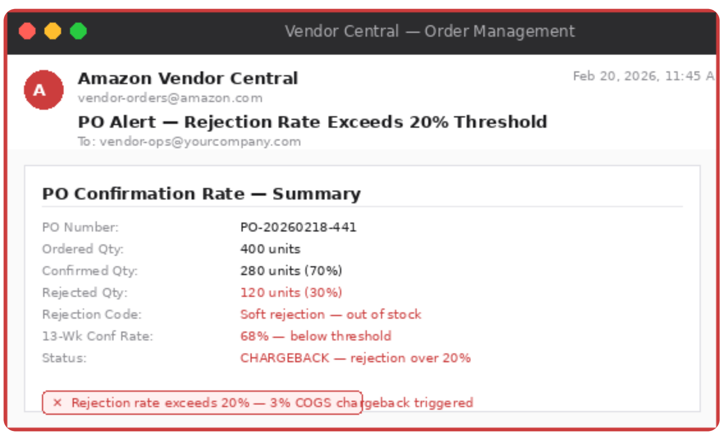
PO Confirmation Rate — Summary

PO Number:	PO-20260114-882
Ordered Qty:	500 units
Confirmed Qty:	430 units (86%)
Rejected Qty:	70 units (14%)
Rejection Code:	IA — Temporarily out of stock
13-Wk Conf Rate:	87% — above threshold
Status:	COMPLIANT — rejection within 20%

✓ Rejection rate below 20% — no chargeback triggered

- ✓ Rejection rate is **14% — below the 20% threshold**. Correct hard rejection codes used. No chargeback applies.
- ✓ 13-week confirmation rate history shows consistent performance above threshold.

✕ Denied submission DENIED



Vendor Central — Order Management

Amazon Vendor Central
vendor-orders@amazon.com
Feb 20, 2026, 11:45 A
PO Alert — Rejection Rate Exceeds 20% Threshold
To: vendor-ops@yourcompany.com

PO Confirmation Rate — Summary

PO Number:	PO-20260218-441
Ordered Qty:	400 units
Confirmed Qty:	280 units (70%)
Rejected Qty:	120 units (30%)
Rejection Code:	Soft rejection — out of stock
13-Wk Conf Rate:	68% — below threshold
Status:	CHARGEBACK — rejection over 20%

✕ Rejection rate exceeds 20% — 3% COGS chargeback triggered

- ✕ Rejection rate is **30% — exceeds the 20% threshold**. Soft rejection code used — 3% COGS applied to excess 10%.
- ✕ 13-week rate at 68% — no minimum unit threshold exception applies. Chargeback confirmed.