

Wakefern Supplier Relationship

TRADING PARTNERS TERMS AND CONDITIONS This agreement (see Appendix #6) details the terms and conditions of our partnership. It is important to review and understand the content of this agreement. This agreement details our expectations for being business partners. Specifics discussed include but are not limited to: acceptance of a purchase order and related pricing/allowances; warranty, guaranty and indemnification; shipping and delivery; insurance; and payment. **CERTIFICATE OF INSURANCE (COI)** Wakefern is interested in doing business with partners who understand the significance of being properly protected against the risks of doing business in a very litigious environment. Wakefern believes that vendors must be properly insured. A new vendor must supply Wakefern with a certificate of insurance (see Appendix #7) as a prerequisite for setup. The COI, typically produced by the vendor's insurance broker, must show that coverage in force is underwritten by insurance companies rated "A-" or better by A. M. Best Company. Coverage cannot be cancelled without providing Wakefern 30 days written notice of cancellation. Wakefern also requires that it be named as an "additional insured" on all liability policies. Updated COI's must be sent to Wakefern whenever coverage is renewed or materially modified. Wakefern will continually monitor compliance with its minimum insurance standards as outlined under 'Minimum Insurance Standards' below. Failure to meet such requirements will result in serious consequences to our business relationship, including, in Wakefern's sole discretion, cancellation of purchase orders, and, suspension of warehouse receiving activity, and, potentially, the termination of our relationship. The best way to comply with the provisions of this insurance section is to show this section to your insurance broker. NOTE: Return to Section 5. Current Supplier Guidelines for specific details. **MINIMUM INSURANCE STANDARDS** Wakefern requires the following minimum coverage limits from its suppliers:

- General Liability Insurance: \$5 million, per occurrence
- Automobile Liability Insurance (if applicable): \$2 million, per occurrence
- Workers Compensation Insurance: Statutory Limits

General liability and automobile liability minimum limits may be satisfied in combination with 'excess' or 'umbrella' liability limits. Wakefern may require higher limits or additional other coverage for certain products and/or operations. **BROAD FORM VENDOR'S ENDORSEMENT** Wakefern requires that a broad form vendor's endorsement (see Appendix #8) be added to all general liability insurance policies from suppliers. This endorsement is a standard endorsement that affords Wakefern the security of knowing that the vendor's general liability insurance policy is properly amended to include Wakefern as an insured with respect to the sale or distribution of the vendor's products. **UNIVERSAL PRODUCT CODE** The Universal Product Code (UPC), commonly found on retail products and on shipping containers, is essential to the accurate delivery of product to our customer. It is critical for our suppliers to understand and observe all UPC guidelines and standards. Information concerning the UPC, bar codes, standards and guidelines can be obtained by contacting the Uniform Code Council (www.uc-council.org). Some points to remember and common problems regarding the UPC

1. The UPC case code refers to the UPC assigned to the shipping container. A unique UPC Case Code should be assigned to each change in size, case, pack, color or deal where it is necessary to distinguish the case as a separate slot in the warehouse.
2. Suppliers must possess a unique UPC for each of their items.
3. Bar codes should be clear, using black ink on a white background, and have at least 3/32 of an inch of white space placed on both the right and left sides of the UPC symbol. It is highly recommended to test all bar codes using retail scanning equipment.
4. Supplier must include the industry code (single digit to the left of the manufacturer number) on all paperwork submitted to Wakefern. Compressed UPC numbers must be expanded on all new item forms.
5. Supplier must notify Wakefern of all changes in the UPC number.

GIFT AND GRATUITY POLICY Our business is built on integrity in dealing with suppliers, business affiliates, and customers and outside agents. All those covered by this code shall not accept entertainment, gifts, acts of hospitality or any other gratuity or benefit (including, without limitation, commissions, fees, shares in profits, loans and favors) from customers, suppliers, buyers, public officials or others that may cause or imply conflicts between the interests of such person and Wakefern. However, this does not preclude the usual, normal, common and open courtesies such as lunches, acts of hospitality and token gifts associated with ethical business practice. **ELECTRONIC DATA INTERCHANGE** As an organization, Wakefern has made the elimination of costs in the supply chain an important objective. EDI is the exchange of standardized business documents between trading partners and accomplishes this task in an efficient and accurate manner, while offering significant savings in the process. Wakefern actively pursues the use of EDI to communicate with all its suppliers. How to get started Vendors that currently have EDI capability should contact the Wakefern EDI Department to establish an EDI relationship. If you are not EDI capable, we encourage you to either procure a package to enable EDI communication or to contact a vendor that provides service solutions. An implementation guideline and required information can be found at: <http://wakefern.shoprite.com//edi/> When we receive your EDI trading partner information (see Appendix #9) and complete the set up of your vendor information, we will provide you with a list of all items in our database. It is imperative that you take advantage of this opportunity to review the UPC's and have Wakefern correct any errors prior to the start of EDI communications. **Receiving Purchase Orders** After both supplier and Wakefern have completed system set up of EDI, the Wakefern EDI Coordinator will generate a test purchase order. The test is used to validate communications and translation. Unless directed otherwise by the supplier, Wakefern will send all purchase orders directly to the vendor. It is the responsibility of the vendor to provide the broker a copy of the purchase order. Carbon copy services are available with most VANs. A functional acknowledgment is required for Wakefern purchase orders and any other EDI document sent from Wakefern. The terms and conditions applicable to EDI purchase orders are stated in the Wakefern EDI Trading Partner Policy. **Sending Invoices to Wakefern** Once you have completed the trading partner set up of us and Wakefern has done the same for your company, you can commence sending a test invoice. The test invoice should be against a live or test purchase order. You must contact the Wakefern EDI Coordinator the day after the test invoice has been transmitted. The EDI Coordinator will review the invoice data structure and accuracy and will provide feedback as necessary. Once the EDI coordinator has approved your invoices, you will be informed that EDI invoices are "live". At this point, paper

invoices are not required and in fact, discouraged. **The trading partner must accept and acknowledge the 864 Text Message, in order for the trading partner to be moved into production.** The fact that Wakefern sends a 997 Functional Acknowledgment, does not constitute that the invoice has been accepted by Wakefern's invoice reconciliation application. **864 Text Message** Live invoices received by Wakefern that contain data content errors will be rejected and you will be notified by the text message. The text message will contain an error message describing the error. Wakefern expects the supplier to provide a Functional Acknowledgment for each text message. You are required to correct the data error, or contact the appropriate Wakefern department stated in the text message to resolve the stated error. A corrected invoice must be re-sent. **Documents Supported by Wakefern Food Corp in both UCS and X12 Standards Versions**

- 204 X12 / UCS Motor Carrier Shipment Information
- 210 X12 / UCS Motor Carrier Freight Details and Invoice
- 810X12 Invoice
- 811X12 / UCS Debit / Credit Adjustment
- 820 X12 / UCS Payment Order / Remittance Advice
- 850 X12 Purchase Order
- 852 X12 / UCS Product Activity Data
- 855 X12 / UCS Purchase Order Acknowledgment.
- 856 X12 / UCS Advance Ship Notice
- 864X12 / UCS Text Message
- 875 UCS Purchase Order
- 879 X12 / UCS Price Change
- 880UCS Invoice
- 888 X12 / UCS New Item Information
- 889X12 / UCS Promotional Announcement
- 990 X12 / UCS Response to the Load Tender (204)
- 997 X12 / UCS Functional Acknowledgement

EDI Department Wakefern Food Corporation EDI Department 355 Davidson Mill Rd.

Jamesburg, NJ 08831 General Information EDI Fax 732-521-8642

<http://wakefern.shoprite.com//edi/> EDI Coordinator Bill Murfitt 732-521-8641

Bill.Murfitt@Wakefern.com EDI Manager Mike Durning 732-521-8549

Michael.Durning@Wakefern.com **DELIVERY PROCEDURES SHIPPING AND**

ROUTING PROCEDURES As part of our ongoing efforts to ensure that your product is being distributed to the consumer in the most efficient and cost effective manner, Wakefern Food Corp. ("Wakefern") supplies the following Shipping and Routing Instructions ("Instructions"). Please distribute these Instructions to all relevant persons within your organization. Your strict adherence to these Instructions is mandatory, as failure to do so could cause shipment delays, congestion at our receiving docks, and generally hinder the receipt and distribution of your product. Also, please be advised that your failure to comply with these Instructions could lead to merchandise being refused by Wakefern or non-compliance chargebacks being assessed against your company. You will find a Wakefern Vendor Questionnaire ("Questionnaire") attached to these Instructions. If you are a new vendor, or have not completed a Questionnaire in the past, or your information requires updating, please complete the Questionnaire in its entirety and return it

to us within two (2) weeks of receipt at the following address: Wakefern Food Corporation, 505 Division Street, Elizabeth, NJ 07207, Attention: Corporate Traffic Department, or via e-mail to jim.curtis@wakefern.shoprite.com or via facsimile to 908-527-7799. The information you provide is very important and will help us to determine the proper way to receive and distribute your product. Please note that if your company ships product to both Grocery and General Merchandise and Grocery Distribution Centers, you only need to complete one Questionnaire. However, separate volume information must be provided for each destination point. Also, if you ship from more than one origin, please fill out a separate Questionnaire for each shipping location. A separate questionnaire must be provided if your company ships product to Perishable distribution centers. **WAKEFERN FOOD CORPORATION GROCERY & GENERAL MERCHANDISE DIVISIONS SHIPPING AND ROUTING INSTRUCTIONS (“Instructions”) Please Forward to Traffic/Transportation/Shipping Manager Immediately** The following Instructions, along with those appearing in Wakefern Food Corp.’s (“Wakefern”) Purchase Orders (individually “Purchase Order” and collectively “Purchase Orders”) apply to all products your company ships to Wakefern’s Grocery and General Merchandise Divisions. These Instructions cancel all previously issued instructions and will continue in effect until cancelled or modified in writing by Wakefern's Manager of Corporate Traffic. Compliance with these Instructions and the terms and conditions set out in all Purchase Orders is mandatory. Any deviation from these Instructions may result in the refusal of shipments by Wakefern and/or an off-invoice deduction reflecting full transportation charges, lost sales, and any additional costs and administration fees being made against your company. In the event of a conflict between any Purchaser Order’s terms and conditions and these Instructions, these Instructions shall apply. It is your company’s responsibility to assure it ships according to the current version of these Instructions in effect at the time of shipment, and to assure that any carrier you utilize, other than those specified by Wakefern herein, is aware of, understands and adheres to the processes and procedures set forth in these Instructions. The latest version of these Instructions can be found at <http://Wakefern.Shoprite.com/>.

1. **DELIVERY LOCATION**

All Purchase Orders specify the "Deliver to" address to which shipment is to be made. This address may not be changed by your company without your notifying Wakefern’s Corporate Traffic Department and receiving prior written approval for such a change.

1. **PACKAGING REQUIREMENTS**

All product packaging must meet industry best standards and practices. In addition, packaging must conform to the actual freight carriers requirements and be able to withstand the reasonable and normal hazards of transportation and handling, both inbound and for subsequent distribution, and for warehouse storage. Claims and costs resulting from poorly packaged products or improper unitization or loading may be charged back to your company, including administrative fees. All shipments must be tendered to carriers in a sorted and segregated manner, and with the notation “Merchandise tendered in a sorted and segregated manner” appearing in the body of the bill of lading or freight receipt. Flavors and sizes must be shipped exactly as ordered, and only full cartons may be shipped. Two (2) packing slips containing an itemized list of all product

shipped must be included with each shipment and must at a minimum include the following information:

- Purchase Order number
- Wakefern item code number
- Item description, to include pack and size
- UPC Code or vendor item code
- Quantity shipped by item and by total
- Weight sheets (Net Weight)
- Sell by dates
- Tally sheet for random weight product setting forth case weights for all cases shipped.

One (1) packing slip must be placed on the lead carton of the shipment, and the other sealed in an envelope and attached to the bill of lading or freight receipt. Notification of the tendered packing slip as an item shipped must appear in the body of the bill of lading or freight receipt, e.g., 2 cartons and 1 packing slip. *NOTE: Failure to provide packing slips in the above described manner may result in a chargeback to your company, to cover additional costs and administrative fees. NOTE: Import shipments must be accompanied by proper documentation, including, without limitation, all cuments required by any governmental agency, import declarations and/or customs clearance documents in order to allow for timely product receipt.*

III. MARKING REQUIREMENTS All outer shipping cartons must at a minimum be boldly, clearly and legibly marked with the following information:

- Vendor name and complete “Shipped from” address
- Wakefern “Deliver to” address
- Wakefern Purchase Order number
- Complete item description as it appears on Wakefern Purchase Order
- Wakefern Item Code Number prominently displayed in minimum 3/4" block print on two sides of each shipping carton.
- Case pack and size
- UPC Code or Vendor Item Code Number
- Precautionary markings such as “Glass,” “Fragile,” “Handle with Care,” etc.
- Sell by dates

In addition, when shipping product samples, the notation “SAMPLES” must be prominently displayed in minimum 3/4" block print on two sides of each shipping carton. Also, the name of the person to whom the samples are being shipped must be prominently displayed.

NOTE: Shipping improperly marked cartons may result in a chargeback to your company to cover associated costs, and administrative fees.

1. **BILL OF LADING/FREIGHT RECEIPT INSTRUCTIONS**

The following must appear in the body of the bill of lading or freight receipt as an addition to any other information specified elsewhere herein:

- Wakefern Purchase Order number

- Number of cartons shipped
- "Delivery Appointment Required"
- "Driver Required to Unload"
- Driver Name and Driver Number
- Carrier Name
- Shipper Number or Load Number
- Trailer Number
- Pick-up date
- Seal Number
- Piece Count or Pallet Count (as applicable)
- The notation "SAMPLES" and the name of the person to whom the samples are being shipped on shipments of product samples.

Only original bills of lading or freight receipts are acceptable. Wakefern will not accept reproductions. *NOTE: In order to minimize overage, shortage, and damage claims on truckload and truckload equivalent shipments, your company is required to verify that the origin pick-up trailer has been sealed prior to leaving your dock, by way of your and the carrier's representatives' signatures being placed on the bill of lading or freight receipt next to where shipper has written the seal number. In the event of a claim, failure to comply with the above instructions may result in a chargeback to your company for the full cost of goods and any additional costs and administrative fees.*

1. **WHEN TO SHIP**

Shipments must be tendered to carriers in such time as to reasonably assure arrival on the date set forth in the Purchase Order. Wakefern does not accept freight before the Purchase Order's arrival date, and any re-delivery, layover, detention, storage or other fees and charges relating to early shipment will be charged back to your company along with administrative fees. Back orders will not be accepted unless a new Purchase Order number has been obtained from the buyer prior to the shipment's arrival at Wakefern. Shipping unauthorized back orders may result in a chargeback to your company to cover additional costs and administrative fees. If a Wakefern preferred carrier does not pick-up a shipment at the appointed time, or there is any issue relating to a Wakefern preferred carrier, immediately contact Wakefern's Corporate Traffic Department at (908)-527-3853 or via e-mail at matt.hirshon@wakefern.com for General Merchandise and for Grocery Jim Curtis at (908)-527-7719 or via email at jim.curtis@wakefern.com.

1. **TRANSIT TIME GUIDE**

The Transit Time Guide ("Guide") found below is provided for approximation purposes only. Wakefern does not make any explicit or implicit representations as to the information contained in this Guide or guarantee it to be accurate for all carriers and shipments, and you must contact the carriers you will utilize in shipping to Wakefern to obtain more exact and accurate timeframes

ORIGIN OF SHIPMENT

TRANSIT TIME TO ANY WAREHOUSE FACILITY (DAYS)

	LESS THAN TRUCKLOAD	TRUCKLOAD
CT,MA,ME,NH,RI,VT,DC, DE,MD,NJ,NY,PA,WV	3	1-2
IN,KY,MI,OH,VA,AL,FL, GA,MS,NC,SC,TN	4-5	2-3
AR,KS,LA,MO,OK,TX,IA, IL,MN,NE,ND,SD,WI	5-6	3-4
ID,MT,OR,WA,WY,AZ, CA,CO,NM,NV,UT	7-8	5

VII. CARRIER SELECTION All truckload shipments with collect freight payment terms must be called in to the Wakefern Corporate Traffic Department for Grocery call Jim Curtis at (908) 527-7719, for General Merchandise call Matt Hirshon at (908)- 527-3853 in order to obtain specific routing. All less-than-truckload shipments with collect freight payment terms that will be rated based on "Cubic Capacity Rules" and equal or exceed truckload rates must be called into the Wakefern Corporate Traffic Department for Grocery call Jim Curtis at (908) 527-7719 for General Merchandise call Matt Hirshon at (908)-527-3853 for specific routing. Regardless of freight terms, all Less-than-Truckload shipments must be shipped following the carrier selection criteria found below:

ORIGIN OF SHIPMENT

CARRIER

NY Metro, NY Hudson Valley, NJ,
Philadelphia Metro, Eastern PA

Port Jersey Transportation (609)-860-9284 or
New England Motor Freight (908)-965-0100 or
YRC Inc.(Yellow/Roadway) 800-610-6500

MD, DC, DE

New England Motor Freight (908)-965-0100 or
YRC Inc.(Yellow /Roadway) 800-610-6500

ME, NH, VT, MA, RI, NY State including
Long Island, Western PA, VA

New England Motor Freight (908)-965-0100 or
YRC Inc.(Yellow/Roadway) 800-610-6500

CT

Port Jersey Transportation (609)-860-9284 or
New England Motor Freight (908)-965-0100 or
YRC Inc.(Yellow/Roadway) 800-610-6500

IN, KY, MI, MN, WI,

ABF Freight System, Inc. 800-961-9743 or
YRC Inc.(Yellow/Roadway) 800-610-6500

AZ,CA

ABF Freight System, Inc. 800-961-9743 or
YRC Inc.(Yellow/Roadway) 800-610-6500 or
Oak Harbor Freight Lines 800-909-6704

OH,IL

New England Motor Freight 908-965-0100 or
ABF Freight System Inc. 800-961-9743 or
YRC(Yellow /Roadway) 800-610-6500

KS, OK, IA, NE, ND, SD,
ID,MO,MT,OR,WA, WY, CO, NM, NV, WV,
AK, HI, UT

ABF Freight System, Inc.800-961-9743 or
YRC(Yellow/Roadway) 800-610-6500

AL, FL, GA, MS, NC, SC, TN, AR, LA,TX

ABF Freight System, Inc. 899-961-9743 or
YRC(Yellow/Roadway) 800-610-6500 or

(1) If your company is presently utilizing John Jeffery Warehouse, Parcel Delivery Service or Port Jersey Distribution as a local distribution point, it is recommended that you continue to utilize such service provider as your delivery carrier to Wakefern, and these companies shall be considered as approved by Wakefern. (2) For purposes of LTL routing: (a) NY Metro Area is defined as 50 mile radius of New York City to include the five boroughs of New York City, Western Long Island, Westchester and Rockland Counties. (b) NY Hudson Valley is defined as zip codes 12400 through 12799; NY State is defined as the area of NY State not covered by the NY Metro Area or NY Hudson Valley (c) Eastern PA is defined as all points in Pennsylvania East of and including Harrisburg, PA. (d) Philadelphia Metro Area is defined as a 40 mile radius of Philadelphia including the Allentown and Bethlehem areas. (e) Western PA is defined as all points in Pennsylvania west of Harrisburg. Do not ship to any Wakefern distribution center via UPS, or any small shipment carrier that will not adhere to Wakefern's inbound procedures (e.g., all deliveries must be appointed, sorted and segregated, and palletized). Orders shipped via carriers who do not follow these procedures will be refused at Wakefern's dock and/or result in chargebacks to your company to cover additional costs, lost sales, administrative fees and penalties. All product must be delivered with sufficient shelf life to allow for normal distribution and retail sale. Any product delivered without sufficient shelf life for these purposes may result in refusal of the product by Wakefern and/or chargebacks against your company to cover costs, losses and/or administrative fees. The mixing of code dates on any pallet is strictly forbidden. All product must be shipped in the case quantities as specified in the Purchase Order. Do not ship in master cases. Product shipped in wrong case quantities or master cases may result in refusal of the product by Wakefern and/or chargebacks to your company to cover additional costs and administrative fees. Do not use carriers other than those specified in these Instructions without obtaining the prior written authorization of Wakefern's Corporate Traffic Department. Do not ship via carriers who do not agree in advance to adhere to Wakefern's procedures found in these Instructions, or as otherwise provided. Failure to use the carriers identified above or who fail to comply with Wakefern's requirements may result in chargebacks against your company for additional costs and administrative fees. Loss or damage claims on shipments tendered to carriers other than those set forth in these Instructions may result in a chargeback to your company for the full value of all damaged goods, plus additional costs and administrative fees. Your company will also be responsible to file all freight claims with the carrier as per applicable regulations on misrouted shipments, regardless of the F.O.B. terms or the responsible payor of freight charges. Any accessorial charges (e.g., detention, sort and segregate, inside delivery, storage, after hours delivery and notification charges) relating to misrouted shipments will be the sole responsibility of your company, and may result in a chargeback to your company for these charges and any additional costs and administrative fees. Shipments ordered by Wakefern on a freight prepaid basis must be shipped on a Freight Prepaid/F.O.B. destination basis and will not be accepted on a freight collect or F.O.B. Origin basis. Any freight charges, including accessorial charges, resulting from goods shipped under incorrect terms will result in a chargeback to your company for full freight cost plus administrative fees. Product samples of any kind being sent to Wakefern must be shipped Freight Prepaid/F.O.B. Destination. Any samples shipped freight collect will be refused by Wakefern and/or will result in a chargeback to your company for the full freight costs, including accessorial charges, plus administrative fees. Any product not ordered by Wakefern may be refused back to the carrier for shipment back to the shipper on a "Freight Collect" basis, with Section 7 of the bill of lading being deemed executed, regardless of whether it is nor not. **VIII. SHIPPING**

INSTRUCTIONS All product must be shipped on standard 4-way, Grade A, 48" x 40" GMA hardwood, CHEP,IGPS or PECO shrink-wrapped pallets, with no product overhanging on any side of the pallet. Also, the following must be noted in the body of the bill of lading or freight receipt: "CARRIER: DO NOT CUT SHRINK-WRAP. DO NOT BREAK DOWN PALLET." In addition, all product must be shipped to Wakefern's block & tier specifications. If your company does not have such specifications, it is your responsibility to obtain them from your Wakefern procurement contact person prior to shipment. NOTE: Any accessorial charges (e.g., detention, sort and segregate, storage, redelivery, labor) derived from vendors shipping unpalletized or incorrectly palletized freight will result in a chargeback to your company for full charges, plus administrative fees. When shipping more than one item on a single pallet (i) each item must be sorted and segregated by item on the pallet; and (ii) a packing sheet must appear on the pallet indicating the item descriptions and counts. Failure to adhere to this instruction when shipping multiple items on a single pallet may result in the product being refused by Wakefern and/or a chargeback against your company for additional costs, lost sales and administrative fees. When shipping multiple Purchase Orders on a single day, each Purchase Order must be tendered to the carrier on a separate bill of lading, and in a sorted and segregated manner. Two or more Purchase Orders cannot be mixed on one pallet and, the product must be shipped in such a way that the Purchase Orders are clearly and individually identifiable. Failure to ship to these specifications could result in refusal of the freight by Wakefern and/or chargebacks to your company for additional costs, lost sales and administrative fees. Delivery appointments are required for all shipments. All Grocery Division delivery appointments are pre-arranged at time of product purchase. All General Merchandise deliveries must be pre-appointed by your company or the delivery carrier. Any delivery appointment or delivery appointment changes or confirmations must be made or confirmed by your company and/or the delivering carrier, as applicable, with the Scheduling Clerk at the locations listed below:

CONSIGNEE ADDRESS

TELEPHONE NUMBER

600 York Street,
Elizabeth, NJ 07207
08810

(908) 527-3369 60 Tower Road, Dayton, NJ

(908) 527-3369 355 Davidson Mill

Road,

(732) 521-8578 South Brunswick, NJ 08831 8301 Industrial

Blvd., Breinigsville, PA 18031

(908) 527-3369 Your company is responsible for the on-

time delivery performance of any carrier it utilizes other than the carriers specified by Wakefern within or pursuant to these Instructions. Carrier failure in this regard may result in chargebacks to your company for additional costs, lost sales, administrative fees and penalties. NOTE: (1) All drivers and other carrier personnel delivering to

Wakefern (i) are required to show their drivers license to the security officer at check-in prior to entering any Wakefern facility, and such personnel's driver's license number will be recorded on the vehicle entry pass, and (ii) will have a photograph of their drivers license taken by the security officers at the point of entry to the facility. Oversight of these activities is the sole responsibility of Wakefern's Loss Prevention Department which takes reasonable measures to ensure that all drivers' privacy and confidentiality are strictly maintained. (2) All drivers and other carrier personnel engaged in delivery must wear steel-tipped safety shoes before they will be allowed access to Wakefern receiving facilities. If any such personnel are not wearing such safety shoes, they will have the choice, at their sole discretion, of either hiring an unloading service to unload the truck on such driver's behalf and at the driver's own expense, or having the load refused by Wakefern. Your company's failure to effect full delivery due to a driver's, or other carrier personnel's, failure to wear safety shoes may result in chargebacks to your company

for additional costs, lost sales, administrative fees and penalties. In addition, your company shall have sole responsibility for any fees, costs and charges, including accessorial charges, relating to any delay or redelivery relating to the shipment. (3) Unloading of inbound freight, including the sorting and segregating of freight to Wakefern's specifications, is required on all shipments to Wakefern, except for drop box deliveries agreed to in advance in writing by Wakefern's Corporate Traffic Department, and your company is responsible to assure that you notify the carriers you select of this requirement, and that you pay for such services. All drivers, helpers, or other carrier personnel used by your carriers to provide such unloading must hold certification pursuant to OSHA standards for powered industrial equipment training found at 49 U.S.C. 1910.178(l), and provide Wakefern with documentary evidence of such certification, prior to being allowed to utilize such equipment. In the event any driver, helper or other carrier personnel does not possess such certification, such person(s) will not be allowed to unload via the use of powered industrial equipment and will have the choice, at their sole discretion, of unloading freight with the use of manual equipment (if available), or by hand, if reasonably possible, or of hiring an unloader to provide the service on their behalf and at their sole cost, or to have Wakefern refuse the shipment. (4) Please note that the unloaders, if any, at Wakefern's or its third party warehouse suppliers' premises are not Wakefern's agents, employees or contractors, or in any way affiliated with Wakefern, and are solely independent contractors who offer to provide services to companies delivering to Wakefern on behalf of delivering vendors and carriers. Wakefern provides no supervision and has no control over or responsibility for these service providers, does not set or maintain their rates, charges or service offerings, or guarantee or warranty the scope or quality of their services. It shall be the sole choice of the carrier to utilize or not utilize such a service and, if they choose to utilize such a service, to negotiate rates and oversee the services. In the event a carrier chooses to utilize such a service, such service provider shall be considered to be acting solely as that carrier's agent in regard to the services provided. (5) Delivery trailers must be proper for the product shipped and be free of leaks, vermin, debris and sources of contamination.

1. HAZARDOUS MATERIALS

All shipments containing hazardous materials must comply with United States Department of Transportation, United States Department of Environmental Protection and all other relevant Federal, State and local regulations. All shipping documents relating to hazardous material shipments must be certified to in writing by your company as being properly and legally packed, marked and placarded. Failure to do so may result in a chargeback to your company for additional costs, administrative fees and penalties.

1. ACCESSORIAL CHARGES

Wakefern does not accept and shall hold no liability for any accessorial charges or surcharges, including, without limitation, detention, layover, re-delivery and sort and segregate charges on Freight Prepaid shipments. Your company must notify its carriers that your company is solely responsible for the payment of such charges by a bold notation on all bills of lading or freight receipts, and by any other means reasonably necessary to assure compliance with this instruction: 505 Division Street Elizabeth, NJ 07207 Attention: Corporate Traffic Department, or via e-mail: jim.curtis@wakefern.com, or **Listed below are the Lumper Services for**

each facility and the contacts at those facilities

<u>Name</u>	<u>email</u>	<u>Phone Number</u>	<u>Location</u>
Harris	lori@labortechnj.com	732-661-1900	Breinigsville, Pa. Tom
Rafael	tom@dmccservices.com	732-221-9606	Dayton, N.J. Ken
Brown	kenbrown0806@gmail.com	201-978-4085	Elizabeth, N.J. Jed
Becker	jed@mybarservices.com	917-685-8726	So. Brunswick, N.J.

ACKNOWLEDGMENT Upon receipt of our routing guide, please complete the "Wakefern Vendor Questionnaire" found on the next page and return to: via mail: Wakefern Food Corporation 505 Division Street Elizabeth, N.J. 07207 Attention: Corporate Traffic Department, or via email: jim.curtis@wakefern.com, or via facsimile: (908) 527-7799 If

you have any questions regarding these Instructions, or are unable to comply with any Instructions set forth herein, please contact Wakefern's Senior Supervisor of Corporate Traffic at (908) 527-7719. Your assistance is greatly appreciated. **SHIPPING AND ROUTING PROCEDURES – PERISHABLES DIVISIONS**

As part of our ongoing efforts to ensure that your product is being distributed to the consumer in the most efficient and cost effective manner, Wakefern Food Corporation ("Wakefern") has enclosed the latest update of its Perishable Divisions Shipping and Routing Instructions ("Instructions"). Please distribute these Instructions to all relevant persons within your organization. **PLEASE NOTE: THESE INSTRUCTIONS DO NOT APPLY TO PRODUCE SHIPMENTS.** Your strict adherence to these Instructions is mandatory, as failure to do so could cause shipment delays, congestion at our receiving docks, and generally hinder the receipt and distribution of your product. Also, please be advised that your failure to comply with these Instructions could lead to merchandise being refused by Wakefern or non-compliance chargebacks being assessed against your company. You will find a Wakefern Vendor Questionnaire ("Questionnaire") attached to these Instructions. If you are a new vendor, or have not completed a Questionnaire in the past, or your information requires updating, please complete the Questionnaire in its entirety and return it to us within two (2) weeks of receipt at the following address: Wakefern Food Corporation, 505 Division Street, Elizabeth, NJ 07207, Attention: Corporate Traffic Department, or via e-mail to jim.curtis@wakefern.shoprite.com or via facsimile to 908-527-7799. The information you provide is very important and will help us to determine the proper way to receive and distribute your product. Please note that if your company ships perishable product to multiple Wakefern Distribution Centers, you only need to complete one Questionnaire. However, separate volume information must be provided for each destination point. Also, if you ship from more than one origin, please fill out a separate Questionnaire for each shipping location. **WAKEFERN FOOD CORP. PERISHABLE MERCHANDISE DIVISIONS SHIPPING AND ROUTING INSTRUCTIONS ("Instructions") Please Forward to Traffic/Transportation/Shipping**

Manager Immediately I. DELIVERY LOCATION All Purchase Orders specify the "Deliver to" address to which shipment is to be made. This address may not be changed by your company without your notifying Wakefern's Corporate Traffic Department and receiving prior written approval for such a change. **II. PACKAGING REQUIREMENTS** All product packaging must meet industry best standards and practices. In addition, packaging must conform to the actual freight carriers requirements and be able to withstand the reasonable and normal hazards of transportation and handling, both inbound and for subsequent distribution, and for warehouse storage. Claims and costs resulting from poorly packaged products or improper unitization or loading may be charged back to your company, including administrative fees. All shipments must be tendered to carriers in a sorted and segregated manner, and with the notation

“Merchandise tendered in a sorted and segregated manner” appearing in the body of the bill of lading or freight receipt. Flavors and sizes must be shipped exactly as ordered, and only full cartons may be shipped. Two (2) packing slips containing an itemized list of all product shipped must be included with each shipment and must at a minimum include the following information:

- Purchase Order number
- Wakefern item code number
- Item description, to include pack and size
- UPC Code or vendor item code
- Quantity shipped by item and by total
- Weight sheets (Net Weight)
- Sell by dates
- Tally sheet for random weight product setting forth case weights for all cases shipped.

One (1) packing slip must be placed on a carton on the tail of the shipment, and the other sealed in an envelope and given to the driver attached to the bill of lading or freight receipt. Notification of the tendered packing slip as an item shipped must appear in the body of the bill of lading or freight receipt, e.g., 2 cartons and 1 packing slip. NOTE: Failure to provide packing slips in the above described manner may result in a chargeback to your company to cover additional costs and administrative fees. NOTE: Import shipments must be accompanied by proper documentation, including, without limitation, all documents required by any governmental agency, import declarations and/or customs clearance documents in order to allow for timely product receipt. **III. MARKING REQUIREMENTS** All outer shipping cartons must at a minimum be boldly, clearly and legibly marked with the following information:

- Vendor name and complete “Shipped from” address
- Wakefern “Deliver to” address
- Wakefern Purchase Order number
- Complete item description as it appears on Wakefern Purchase Order
- Wakefern Item Code Number prominently displayed in minimum 3/4" block print on two sides of each shipping carton.
- Case pack and size
- UPC Code or Vendor Item Code Number
- Precautionary markings such as “Glass,” “Fragile,” “Handle with Care,” etc.
- Sell by dates

In addition, when shipping product samples, the notation “SAMPLES” must be prominently displayed in minimum 3/4" block print on two sides of each shipping carton. Also, the name of the person to whom the samples are being shipped must be prominently displayed.

NOTE: Shipping improperly marked cartons may result in a chargeback to your company to cover associated costs, and administrative fees. **IV. BILL OF LADING/FREIGHT**

RECEIPT INSTRUCTIONS The following must appear in the body of the bill of lading or freight receipt as an addition to any other information specified elsewhere herein:

- Wakefern Purchase Order number

- Number of cartons shipped
- "Delivery Appointment Required"
- "Driver Unload"
- Driver Name and Driver Number
- Carrier Name
- Shipper Number or Load Number
- Trailer Number
- Pick-up date
- Seal Number
- Piece Count or Pallet Count (as applicable)
- The notation "SAMPLES" and the name of the person to whom the samples are being shipped on shipments of product samples.

Only original bills of lading or freight receipts are acceptable. Wakefern will not accept reproductions. NOTE: In order to minimize overage, shortage, and damage claims on truckload and truckload equivalent shipments, your company is required to verify that the origin pick-up trailer has been sealed prior to leaving your dock, by way of your and the carrier's representatives' signatures being placed on the bill of lading or freight receipt next to where shipper has written the seal number. In the event of a claim, failure to comply with the above instructions may result in a chargeback to your company for the full cost of goods and any additional costs and administrative fees. V. **WHEN TO SHIP** Shipments must be tendered to carriers in such time as to reasonably assure arrival on the date set forth in the Purchase Order. Wakefern does not accept freight before the Purchase Order's arrival date, and any re-delivery, layover, detention, storage or other fees and charges relating to early shipment will be charged back to your company along with administrative fees. Back orders will not be accepted unless a new Purchase Order number has been obtained from the buyer prior to the shipment's arrival at Wakefern. Shipping unauthorized back orders may result in a chargeback to your company to cover additional costs and administrative fees. If a Wakefern preferred carrier does not pick-up a shipment at the appointed time, or there is any issue relating to a Wakefern preferred carrier, immediately contact Wakefern's Corporate Traffic Department at (908) 527-7719 or via e-mail at jim.curtis@wakefern.shoprite.com. VI. **TRANSIT TIME GUIDE** The Transit Time Guide ("Guide") found below is provided for approximation purposes only. Wakefern does not make any explicit or implicit representations as to the information contained in this Guide or guarantee it to be accurate for all carriers and shipments, and you must contact the carriers you will utilize in shipping to Wakefern to obtain more exact and accurate timeframes.

<u>ORIGIN OF SHIPMENT</u>	<u>TRANSIT TIME TO ANY WAREHOUSE FACILITY (DAYS)</u>	
	LESS THAN TRUCKLOAD	TRUCKLOAD
CT,MA,ME,NH,RI,VT,DC,DE,MD,NJ,NY,PA,WV	1-2	1-2
IN,KY,MI,OH,VA,AL,FL,GA,MS,NC,SC,TN	4-5	2-3

AR,KS,LA,MO,OK,TX,IA, IL,MN,NE,ND,SD,WI	5-6	3-4
ID,MT,OR,WA,WY,AZ, CA,CO,NM,NV,UT	7-8	5

VII. CARRIER SELECTION All truckload FOB origin shipments with collect or prepay and add freight payment terms must be called in to the Wakefern Corporate Traffic Department at (908) 527-7719 in order to obtain specific routing. All less-than-truckload FOB origin shipments with collect or prepay and add freight payment terms that will be rated based on "Cubic Capacity Rules" and equal or exceed truckload rates must be called into the Wakefern Corporate Traffic Department at (908) 527-7719 for specific routing. Do not ship to any Wakefern distribution center via UPS, or any small shipment carrier that will not adhere to Wakefern's inbound procedures (e.g., all deliveries must be appointed, sorted and segregated, and palletized). Orders shipped via carriers who do not follow these procedures will be refused at Wakefern's dock and/or result in chargebacks to your company to cover additional costs, lost sales, administrative fees and penalties. All product must be delivered with sufficient shelf life to allow for normal distribution and retail sale. Any product delivered without sufficient shelf life for these purposes may result in refusal of the product by Wakefern and/or chargebacks against your company to cover costs, losses and/or administrative fees. The mixing of code dates on any pallet is strictly forbidden. All product must be shipped in the case quantities as specified in the Purchase Order. Do not ship in master cases. Product shipped in wrong case quantities or master cases may result in refusal of the product by Wakefern and/or chargebacks to your company to cover additional costs and administrative fees. Do not ship via carriers who do not agree in advance to adhere to Wakefern's procedures found in these Instructions, or as otherwise provided. Use of carriers who fail to comply with Wakefern's requirements may result in chargebacks against your company for additional costs and administrative fees. Loss or damage claims on shipments tendered to carriers other than those set forth in these Instructions may result in a chargeback to your company for the full value of all damaged goods, plus additional costs and administrative fees. Your company will also be responsible to file all freight claims with the carrier as per applicable regulations on misrouted shipments, regardless of the F.O.B. terms or the responsible payor of freight charges. Any accessorial charges (e.g., detention, sort and segregate, inside delivery, storage, after hours delivery and notification charges) relating to misrouted shipments will be the responsibility of your company, and may result in a chargeback to your company for these charges and any additional costs and administrative fees. Shipments ordered by Wakefern on a freight prepaid basis must be shipped on a Freight Prepaid/F.O.B. destination basis and will not be accepted on a freight collect or F.O.B. Origin basis. Any freight charges, including accessorial charges, resulting from goods shipped under incorrect terms will be your company's responsibility and will result in a chargeback to your company for full freight cost plus administrative fees. Product samples of any kind being sent to Wakefern must be shipped F.O.B. Destination/Freight prepaid. Any samples shipped freight collect will be refused by Wakefern and/or will result in a chargeback to your company for the full freight costs, including accessorial charges, plus administrative fees. Any product not ordered by Wakefern may be refused back to the carrier for shipment back to the shipper on a "Freight Collect" basis, with Section 7 of the bill of lading being deemed executed, regardless of whether it is nor not.

VIII. SHIPPING INSTRUCTIONS DO NOT SHIP ON A FOB ORIGIN/FREIGHT PREPAID BASIS. SUCH SHIPMENTS WILL FOR ALL PURPOSES BE CONSIDERED TO HAVE BEEN SHIPPED ON A FOB DESTINATION/FREIGHT PREPAID BASIS. All

product must be shipped on standard 4-way, Grade A, 48" x 40" GMA hardwood, CHEP, PECO or IGPS shrink-wrapped pallets, with no product overhanging on any side of the pallet. Also, the following must be noted in the body of the bill of lading or freight receipt: "CARRIER: DO NOT CUT SHRINK-WRAP. DO NOT BREAK DOWN PALLET." NOTE: Any accessorial charges (e.g., detention, unloading, sort and segregate, storage, redelivery, labor) caused by vendors shipping unpalletized or incorrectly palletized freight will be your company's responsibility and will result in a chargeback to your company for full charges, plus administrative fees. NOTE: Wakefern does not exchange pallets or reimburse vendors for the cost of pallets. When shipping more than one item on a single pallet (i) each item must be sorted and segregated by item on the pallet; and (ii) a packing sheet must appear on the pallet indicating the item descriptions and counts. Failure to adhere to this Instruction when shipping multiple items on a single pallet may result in the product being refused by Wakefern and/or a chargeback against your company for additional costs, lost sales and administrative fees. When shipping multiple Purchase Orders on a single day, each Purchase Order must be tendered to the carrier on a separate bill of lading, and in a sorted and segregated manner. Two or more Purchase Orders cannot be mixed on one pallet and, the product must be shipped in such a way that the Purchase Orders are clearly and individually identifiable. Failure to ship to these specifications could result in refusal of the freight by Wakefern and/or chargebacks to your company for additional costs, lost sales and administrative fees. Delivery appointments are required for all shipments. All deliveries must be pre-appointed by your company or the delivery carrier. Any delivery appointment or delivery appointment changes or confirmations must be made or confirmed by your company and/or the delivering carrier, as applicable, with the Scheduling Clerk at the locations listed below: CONSIGNEE ADDRESS TELEPHONE
NUMBER Southern Perishables, 5000 Riverside Drive, Keasbey, NJ 08832 (732) 512-6816 Versacold Logistics, 200 First Avenue, Gouldsboro, PA 18424 (570) 842-1050, ext. 154 Your company is responsible for the on-time delivery performance of any carrier it utilizes other than the carriers specified by Wakefern within or pursuant to these Instructions. Carrier failure in this regard may result in chargebacks to your company for additional costs, lost sales, administrative fees and penalties. NOTE: (1) All drivers and other carrier personnel delivering to Wakefern (i) are required to show their drivers license to the security officer at check-in prior to entering any Wakefern facility, and such personnel's driver's license number will be recorded on the vehicle entry pass, and (ii) will have a photograph of their drivers license taken by the security officers at the point of entry to the facility. Oversight of these activities is the sole responsibility of Wakefern's Loss Prevention Department which takes reasonable measures to ensure that all drivers' privacy and confidentiality are strictly maintained. (2) All drivers and other carrier personnel engaged in delivery must wear steel-tipped safety shoes before they will be allowed access to Wakefern receiving facilities. If any such personnel are not wearing such safety shoes, they will have the choice, at their sole discretion, of either hiring an unloading service to unload the truck on such driver's behalf and at the driver's own expense, or having the load refused by Wakefern. Your company's failure to effect full delivery due to a driver's, or other carrier personnel's, failure to wear safety shoes may result in chargebacks to your company for additional costs, lost sales, administrative fees and penalties. In addition, your company shall have sole responsibility for any fees, costs and charges, including accessorial charges, relating to any delay or redelivery of the shipment. (3) Unloading of inbound freight, including the sorting and segregating of freight to Wakefern's specifications, is required on all shipments to Wakefern, except for drop box

deliveries agreed to in advance in writing by Wakefern's Corporate Traffic Department. Your company is responsible to assure (a) that you notify the carriers and/or third-party service providers you select, and that any such third parties notify carriers they utilize, of this requirement, and (b) that you pay for such services, and in the event of use of a third party, that such third party pays the carrier for such services. (4) All drivers, helpers, or other carrier personnel used by your carriers to provide unloading services must hold certification pursuant to OSHA standards for powered industrial equipment training found at 49 U.S.C. 1910.178(l), and provide Wakefern with documentary evidence of such certification, prior to being allowed to utilize such equipment. In the event any driver, helper or other carrier personnel does not possess such certification, such person(s) will not be allowed to unload via the use of powered industrial equipment and will have the choice, at their sole discretion, of unloading freight with the use of manual equipment (if available), or by hand, if reasonably possible, or of hiring an unloader to provide the service on their behalf and at their sole cost, or to have Wakefern refuse the shipment. Wakefern does not guarantee the availability of any specific type, quality or quantity of equipment at any time or for any purpose. (5) Please note that the unloaders, if any, at Wakefern's or its third party warehouse suppliers' premises are not Wakefern's agents, employees or contractors, or in any way affiliated with Wakefern, and are solely independent contractors who offer to provide services to companies delivering to Wakefern on behalf of delivering vendors and carriers. Wakefern provides no supervision and has no control over or responsibility for these service providers, does not set or maintain their rates, charges or service offerings, or guarantee or warranty the scope or quality of their services. It shall be the sole choice of the carrier to utilize or not utilize such a service and, if they choose to utilize such a service, to negotiate rates and oversee the services. In the event a carrier chooses to utilize such a service, such service provider shall be considered to be acting solely as that carrier's agent in regard to the services provided. (6) Delivery trailers must be proper for the product shipped and be free of leaks, vermin, debris and sources of contamination. (7) All carriers must maintain at least the following minimum insurance requirements: Workers Compensation Statutory Commercial General Liability \$1,000,000 per incident or occurrence Auto Liability \$1,000,000 per incident or occurrence Cargo \$100,000 per incident or occurrence (including coverage for reefer breakdown) (8) All drop box deliveries must be approved in advance by Wakefern's Corporate Traffic Department and the terms and conditions found in the "Drop Trailer Agreement" attached hereto as Exhibit A, shall apply. Only Wakefern's Corporate Traffic Department is authorized to approve drop box deliveries. **IX. ACCESSORIAL CHARGES** Wakefern does not accept and shall hold no liability for any accessorial charges or surcharges, including, without limitation, detention, layover, re-delivery, unloading and sort and segregate charges on Freight Prepaid shipments. Your company must notify its carriers that your company is solely responsible for the payment of such charges by a bold notation on all bills of lading or freight receipts, and by any other means reasonably necessary to assure compliance with this Instruction.

X. ACKNOWLEDGMENT Upon receipt of these Instructions, please complete the "Wakefern Vendor Questionnaire" found on the next page and return to: via mail: Wakefern Food Corporation 505 Division Street Elizabeth, NJ 07207 Attention: Jim Curtis, Corporate Traffic Department, or via e-mail: jim.curtis@wakefern.shoprite.com, or via facsimile: (908) 527-7799 If you have any questions regarding these Instructions, or are unable to comply with any Instructions set forth herein, please contact Wakefern's Senior Supervisor of Corporate Traffic at

(908) 527-7719 or at jimcurtis@wakefern.shoprite.com. Your assistance is greatly appreciated. **DSD DELIVERY PROCEDURES** Upon delivery to any ShopRite store, each vendor will have all product scanned into the DSD receiving system. All out-bound product must be removed prior to beginning the receiving process. All credits should be supported by a Vendor authorized credit memo signed by both the Driver and Receiver or other authorized store personnel. **There is to be no swapping of product.** A credit invoice must be generated with an invoice number that is different from the receiving debit. Adherence to the following rules will ensure an efficient and timesaving delivery/receiving process.

- Each delivery invoice must represent a single customer delivery or credit.
- Vendors cannot use the same invoice number for multiple stores for deliveries and/or credit memos.
- Identify each document involved in the delivery process by a unique invoice number. Do not recycle invoice numbers for 90 days. This number must be the same number used at time of billing.
- Multiple deliveries cannot be combined on a single invoice. Deliveries for items under different departments must appear on separate invoices. Bulk or random weight items (received by weight) must also be listed on separate invoices from fixed weight items (received by count)
- Product description and UPC should uniquely identify the product and be the same on delivery unit and delivery invoice. Abbreviations of product description may be used. Brand or company identification should be on every line.
- Size must appear on the delivery unit as well as the delivery invoices. It should indicate the quantity content of the retail-selling unit.
- The case pack should be identified on the delivery unit as well as the delivery invoice. It should indicate the number of retail selling units contained in the delivery unit.
- Extend prices and "off invoice" allowances and total on the delivery invoice.
- Identify deposits on containers, both deliveries and returns, by item and treat as separate transactions. Follow all rules for product identification including UPC number. A separate form is used for container returns, conforming to the same guidelines as the delivery notice.
- Mark the delivery date on the delivery invoice to coincide with the date on which the retailer takes possession of the product.
- All credits must be handled on a separate invoice. Multiple credits cannot be combined on a single credit memo.
- Bring product in-bound merchandise to the designated receiving area before the check-in begins.
- Allow receiver to count and check.
- Do not interrupt the check-in process for any reason. Wait until the check-in process is finished to discuss any other items.
- All cases must have scannable UPC bar codes.
- All cases should be arranged in the same order as the invoice. Product sequence on the delivery invoice must coincide with delivery ticket to facilitate prompt and accurate check-in. Product identification must be clearly visible for all units being delivered.
- As the Receiver scans in the delivery, unauthorized items will be rejected.

- A DSD Back Door receiving ticket will be printed. Any unauthorized items will not print on the DSD ticket. Please note that the new Centralized Accounts Payable system is designed NOT to pay for unauthorized products. Therefore, please do not leave unauthorized product at the stores.
- The vendor should not leave the receiving area until the receiver verifies that the UPC codes and quantities match the DSD computerized invoice.
- The DSD back door receiving ticket must be signed by the Receiver and Driver. A copy will be given to the driver or sales representative. This will serve as proof of a delivery.
- The driver will issue an invoice, which will be forwarded to the chains' headquarters along with the DSD back door receiving ticket, which will be used for comparative purposes.
- If for some reason, the DSD system is not operable at the time of delivery, the vendor invoice will be used for proof of a delivery. The store Receiver, or other designated store personnel, MUST sign and stamp the invoice with the 'DSD NOT SCANNED' stamp and complete the indicated fields.

Unidentified/Unauthorized Items An unidentified item could be:

- The product is not authorized by Wakefern or by the stores.
- An incorrect UPC
- Recently changed UPC
- Hand held mis-scan
- Hardware problem at Store level

ALL UNIDENTIFIED OR UNAUTHORIZED ITEMS LEFT AT STORES WILL NOT BE PAID BY WAKEFERN FOOD CORPORATION. PLEASE DO NOT LEAVE UNAUTHORIZED PRODUCTS AT THE STORES. If an item MUST be received (sale item) please call the DSD Department to get the item authorized for the next day. Otherwise, have your Sales Personnel contact the Wakefern Product manager so the item can be authorized for your next delivery to the store. **DSD Department Phone Numbers Expeditors** 908-527-3809 908-527-3810 908-527-3821 908-527-3780 908-527-7485 FAX 908-527-7723 **DSD Supervisor** 908-527-3819 **WAREHOUSE DIRECT DELIVERIES (For items carried in the warehouse)**

- The Supplier is required to obtain a **ShopRite** store **stamp** and **signature** in addition to insuring that the store **scan receives** the delivery.
- In the event that the store **does not scan receive** the delivery, the Supplier must provide Wakefern's Accounts Receivable department with a copy of bill of lading with the **ShopRite** store **stamp** and **signature**. The proof of delivery must be received within **3 days** from the date of delivery, to insure payment within **terms** of the invoice.
- The Supplier is required to provide **Wakefern** with an **on-site representative** to work in conjunction with our **Store Customer Services** department to monitor, coordinate and control the delivery and receipt of product for the Direct Store Delivery programs.

PRIVATE LABEL REQUIREMENTS The ShopRite name is one of the most valuable properties owned by Wakefern Food Corp. It is protected by registration under the Federal Trademark Laws. It has earned widespread and valuable consumer acceptance and good will.

Accordingly, the name ShopRite and the ShopRite logo must be protected against misuse or unauthorized use. Quality standards must also be maintained as one poor ShopRite item can adversely affect all ShopRite items. All suppliers must obtain a packet from Wakefern Quality Assurance that requires the return of a signed agreement to Wakefern. For information contact: **Quality Assurance** 505 Division Street Elizabeth, NJ 07207 908-527-3849 Each item submitted for consideration must be accompanied by a Private Label Product Evaluation form (see Appendix #11) and a ShopRite Private Label Packaging Information form (see Appendix #12). Our policies regarding packaging, quality assurance, product liability, insurance and consumer standards are as follows: **Broad Statement Policy** No vendor shall pack and label, or authorize the packaging and labeling of any product bearing the ShopRite name unless expressly so authorized in writing by the Quality Assurance Division of Wakefern. No vendor will subcontract the packaging or manufacturing of any product without the prior written knowledge and consent of Wakefern's Quality Assurance Division. No labels, cartons, containers or other packaging materials bearing the ShopRite name or logo shall be produced or printed by any person or company unless expressly authorized in writing by the Creative Services/Quality Assurance Division of Wakefern.

1. Any trademark owned by Wakefern can only be used in the manner authorized by Wakefern.

Brand names owned and/or produced by Wakefern may not be affixed to any package or shipped to any source without the supplier having official shipping instructions from authorized personnel at Wakefern. Products bearing a Wakefern/ShopRite Trademark label that, due to overproduction or non-acceptance due to quality standards by our Quality Assurance Department, may be stripped and re-labeled with the vendor's control label or may be distributed 750 miles outside of our marketing area. This area includes New Jersey, New York, Pennsylvania, Connecticut, Delaware and Massachusetts. Vendor must exercise necessary controls so that product is not sold and shipped into our marketing area by a third party. Quality Assurance must be advised in writing regarding the disposition of such product. **Quality Assurance Division**

1. All vendors must submit typical pre-production samples to Quality Assurance for evaluation and approval. Quality Assurance must approve them prior to any shipment or delivery to Wakefern.
2. Any necessary technical or test data to substantiate product quality or safety must be supplied to Wakefern Quality Assurance Division, including lot samples as determined by Quality Assurance. If third party analysis is required, vendor will be required to pay for the testing costs as determined by Quality Assurance. This testing will encompass product integrity as well as environmental analysis, at the discretion of the Quality Assurance Division.
3. All products packed under the ShopRite or other Wakefern Trademarks must meet or exceed specifications and pass our product inspection upon receipt.
4. Failure to meet specifications will result in rejection of shipment by the Wakefern Quality Assurance Division.
5. No changes in ingredients, product specifications, shelf life, packaging and/or labeling will be made without prior knowledge and written approval of Wakefern Quality

Assurance. Any changes made without written approval will be cause for rejection of the product.

6. Wakefern reserves the right to perform pre-shipment inspections of the vendor facilities at the vendor's cost. This inspection may be conducted by Wakefern Quality Assurance or its representative to assure that good manufacturing practices and a Hazard Analysis Critical Control Points program (HACCP) is in place and enforced and that Standard Sanitation Operating Procedures (SSOP) acceptable to Wakefern Quality Assurance will be utilized in the manufacturing and handling of ShopRite products. Wakefern reserves the right to make inspections of any facilities at any time during normal working or operating hours. Failure to follow good manufacturing practices and maintain suitable sanitary conditions acceptable to Wakefern Quality Assurance is cause for the termination of the vendor and the rejection of shipped or warehoused products.
7. If, for any reason, product must be removed from sale due to failure to conform to quality/food safety standards, vendor must use Wakefern's Product Withdrawal Procedure (see below) and will be responsible for all associated costs, including but not limited to administrative costs, store removal costs and reclamation costs.
8. All product packed under the ShopRite label shall have the following:
 1. Perishable and semi-perishables items shall have a legible open expiration date easily understood as such by the consumer. Vendors of shelf stable items and durable goods shall make every reasonable effort to provide an open date (Best by/Best if used before) or at minimum, a positive means of lot and vendor identification.
 2. Where applicable, a trademark certifying that the product is kosher and was prepared or produced under rabbinical supervision shall be included on the label. Wakefern must approve the rabbinical organization supervising the product. The vendor and the rabbinical organization must provide Wakefern, annually, certifications listing in detail, the product prepared or packed under their supervision.
 3. If the product is produced or manufactured in a foreign country, the country of origin shall be clearly imprinted on the package.

Product Withdrawal Procedure Subject: Explanation of costs incurred by the manufacturer or vendor of products being recalled from the retail level of sale. A charge of \$600.00 covers the e-Bulletin process of informing stores in the Wakefern distribution chain of the type of recall, product description, codes involved, and other specific details. E-Bulletins are followed up with hard copy. A charge of \$40.00 is incurred for each store that responds within seven (7) days indicating that the product in question was removed from sale. Wakefern will provide the recall generator with a list of stores and quantities returned. In a Class I recall situation, phone contact is also made with each selling unit and chain headquarters. Follow up is by FAX. Additional telephone and administrative expenses are incurred. Creative Services Division

1. Wakefern's Creative Services Division is responsible for the development and approval of all packaging to ensure that the graphic design of each product complies with the ShopRite Brand Private Label Packaging Standards.
2. It is Wakefern's policy to initiate artwork with an approved pre-press house. Any exceptions are determined by the Creative Services Department.

3. All designs, photography and illustrations used on packaging, which are unique to ShopRite, will be the property of Wakefern Food Corp.
4. All costs related to packaging development, including design, photography, illustrations and pre-press are the responsibility of the vendor. All film and plate changes become property of Wakefern and will be turned over to it at its request in the event you are terminated as a supplier. In addition, vendors shall not use such plates or the resulting packaging material except in connection with supplying Wakefern or at its direction.
5. All costs related to packaging adjustments are the responsibility of the vendor. The Creative Services Division prior to printing must approve all changes and additions. In the event of a violation of this requirement, Vendor will be back charged an additional \$1,000 per violation as liquidated damages to Wakefern/ShopRite. Such amount is in recognition that the actual expenses and damages to Wakefern associated with recalls and removals may be difficult or impracticable to ascertain, and such amount shall in no way be considered a penalty.
6. Wakefern reserves the right to charge a service fee to its vendors on a per SKU basis to cover internal costs as well as typical expenses incurred by Wakefern in packaging development.
7. Wakefern/ShopRite shall not be responsible for more than thirteen (13) weeks supply of packaging material, based on that supplier's normal delivery of product, unless otherwise specifically authorized or specified by Wakefern in writing.

Consumer and Corporate Communications Division

1. Wakefern's Consumer and Corporate Communications Division requires all vendors to respond to customer complaints, comments and/or questions regarding ShopRite product on an "as is basis under the direction of the division or through Wakefern's Quality Assurance Division.
2. Consumer communications will be forwarded to the vendor in writing via fax or email in the form of a Consumer Contact Report or "Notice of Customer Complaint" (see Appendix #13). This notice will advise of the nature of the communication and the requirements for customer contact:
 1. URGENT - Illness, personal injury, damage; Respond to customer upon receipt of Notice.
 2. Consumer has specific question - product usage, ingredients, allergens, etc. Respond to customer within 24 hours of receipt of notice.
3. Wakefern Consumer and Corporate Communications must be kept apprised of all communications to customers on URGENT complaints. It is the vendor's responsibility to pick up product samples and perform product testing when required.
4. Vendors are required to forward copies of correspondence to customer and/or information on verbal resolution to Wakefern's Consumer and Corporate Communications Division and to Wakefern's Quality Assurance Division.
5. Failure to respond to customers in the required time frame will indicate vendors right to resolve the complaint has been forfeited.
 1. Wakefern Consumer and Corporate Communications Division will attempt to resolve consumer issues up to \$100. Periodic backcharges will be made to the vendor to reimburse Wakefern for its costs to resolve product issues.

2. In the case of alleged personal injury, property damage or illness, Wakefern's third party insurance carrier will be notified to initiate investigation and settlement proceedings.

Warranty In addition to all express and implied warranties provide by the law, Vendor warrants that all product, including the packaging, provided to Wakefern are free from defects, properly packaged and labeled, will conform to all Wakefern specifications and will meet or exceed all standards and requirements established pursuant to Federal and/or state law and any other government entity having jurisdiction thereof, and that the product has been provided or packaged by the vendor or such other persons as may have been expressly authorized by Wakefern in writing, in advance. Insurance and Indemnification **Wakefern requires its vendors to maintain the following insurance:** Commercial General Liability Insurance With Product Liability and Completed Product Endorsements \$5,000,000 per occurrence Workers Compensation Insurance Statutory Business Automobile Coverage \$2,000,000 Combined single limit

1. Vendors must provide a Certificate of Insurance with the return of this executed agreement evidencing the above limits and endorsements and must name Wakefern and its Members (the entities operating the stores) as additional insureds.
2. The Certificate must state that the insurance will not be cancelled without 30 days prior written notice to Wakefern.
3. To the fullest extent permitted by law, Vendor agrees to hold harmless and indemnify Wakefern, its subsidiaries, shareholders, officers, directors, employees, successors and assigns from all liability for all claims, damages, losses and expenses or any other type of relied of any nature whatsoever (hereinafter referred to as Claims) and for all costs associated with the Claims including but not limited to reasonable attorneys' fees, which arise out of or result from Vendor's product, acts or actions, whether based on contract, tort, strict liability or otherwise.

Food Safety and Security Controls All suppliers submitting product for Private Label are required to undergo a third party audit for Food Safety and Security Controls. The following categories will be evaluated. Food Safety Controls The Following Categories Will Be Evaluated In This Audit:

- Food Safety Systems
- Quality Systems / HACCP Management
- Facilities And Equipment
- Sanitation And Employee Hygiene Practices
- Pest Control
- Packaging And Labeling
- Allergen Awareness
- Receiving, Storage And Shipping
- Product Tracking And Recall Procedure
- Data Storage & Laboratory Support

Food Security Controls The Following Categories Will Be Evaluated In This Audit:

- Awareness Of Food Security Program By Customers, Suppliers And Employees
- Food Security Control For Employees, Contractors And Visitors
- Plant Security Measures
- Ingredient Security Measures
- Water, Air And Chemical Security
- On Plant Hazardous Materials
- Product Process Security
- Warehouse And Transportation Security
- Ingredient, Product Traceability
- Tamper Evident Packaging
- Crisis Management Team For Food Security Issues