



STONEWALL KITCHEN

Creators of Specialty Foods

VENDOR COMPLIANCE GUIDELINES

(EFFECTIVE JANUARY, 2018)

INTRODUCTION

Since 1991, Stonewall Kitchen, LLC (SK) has been committed to providing superior quality products and service to our customers. As part of this commitment, we are constantly seeking new ways to improve the quality of offerings to our customers. Through better communication with our vendors, our efforts to improve quality will be mutually beneficial. With this goal in mind, we have created these guidelines to ensure the use of the fastest and/or most cost-effective method to ship and process our products.

The Vendor Compliance Guidelines detail the information needed for packing, labeling, shipping and invoicing products. These guidelines have been established to provide efficient and effective processing of receipts to our receiving locations. Non-compliance with these guidelines may result in significant processing delays, including payment of invoices, increased labor costs and charge backs.

As a Vendor/Vendor Representative, you are responsible for distributing these Vendor Compliance Guidelines throughout your company/the company you represent as necessary to ensure compliance.

Thank you,

Stonewall Kitchen, LLC
2 Stonewall Lane
York, ME 03909

REVISIONS & UPDATES AS OF JANUARY, 2017

ADDED VERBIAGE:

- Raw Material remaining shelf life must be > 65% (page 7)
- Auto Notifications for UPS Ground Shipments (pages 14 & 15)

REMINDERS:

PURCHASE ORDERS SHIPPING TO ROCHESTER OR DOVER FACILITIES

- For any questions in regards to labeling requirements please contact (603) 994-1100 x2117 or for a direct line to a member of our team available Monday-Friday from 7am-3pm. Alternatively you can send an e-mail to Receiver@StonewallKitchen.com.

REVISIONS:

- Charge back update as follows:
 - VC132 – Missing shipping appointment by +/- 2 hours - \$50
 - Previously had an unassigned monetary value

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GENERAL REQUIREMENTS

PURCHASE ORDERS

All merchandise/items on a Purchase Order must be delivered as originally presented to the SK Merchant/Buyer at the time the Purchase Order was issued. No substitutions can be made without prior written approval by SK. There can be no inconsistencies or variations from the original agreement.

If Vendor cannot ship as specified on the Purchase Order, this must be communicated to the SK Buyer prior to shipping and an updated PO must be issued. Partial shipments, overages, late or early shipments are not permitted without prior written approval from the SK Buyer.

It is the responsibility of the Vendor to ensure that all merchandise is received by SK in undamaged, saleable condition to the Purchase Order destination. If quantities shipped exceed quantities ordered, the additional quantities will be subject to return and freight charges incurred will be charged back to the Vendor.

QUALITY STANDARDS

All shipments must adhere to SK quality standards. All shipments will undergo quality sampling and testing. All merchandise that fails to meet SK quality standards will be returned to the Vendor, either partially or in its entirety, Freight Collect. The Vendor must arrange shipping within 3 business days or SK will chargeback accordingly. A sample of an item may be required to be shipped to SK to ensure the ensuing shipment will comply with SK's quality standards, which may prevent charge backs for non-compliant product.

In the event of a recall, SK reserves the right to chargeback for labor, time, processing, shipping or any miscellaneous fees incurred.

SHIPMENTS

SK may refuse delivery, delay delivery, or leverage a charge back if a shipment is made:

- Against a Purchase Order that has been canceled
- Where a valid Purchase Order has not been issued
- Where a Packing Slip / List is missing or contains more than one purchase order (shipments may include multiple Purchase Orders, but need separate Packing Slips / Lists for each PO)
- Where a Packing Slip has incorrect or missing information
- Where the shelf-life and lot code(s) for food items are not included on the Packing List and/or is not marked on the outside of each carton in the shipment
- Where the statement, “Delivery Notification must be scheduled with SK Receiving Dept. 24 hours prior to delivery” was not included on the Bill of Lading (for Dover / Rochester shipments only. Does not pertain to shipments to the York facility)
- Before the ship date or after the cancel date listed on the Purchase Order without prior permission
- Where mixed lots of a single item are not clearly stated and/or separated on the Packing List and/or separated and conspicuously marked on the pallet
- Where different lot numbers aren’t properly separated on a pallet with slip sheets (for all Raw Materials and Resale Foods.)
- With a quality issue as discussed in the “Quality Standards”, pg. 4
- Where pallets do not meet GMA Grade A 4-way 48”x40” pallet standards as outlined in Exhibit A

Physical delivery and receipt of a shipment does not constitute acceptance of any goods and all deliveries are subject to count and inspection.

PRODUCT REQUIREMENTS

FOOD SUPPLIERS

Stonewall Kitchen appreciates you as a valuable supplier of safe, high quality products. We require that our suppliers provide assurance and documentation that the ingredients and materials we use to produce and package our quality products along with the products we sell to our Guests conform to all food safety, food security, and product quality requirements. All food products shall be manufactured in accordance with current Good Manufacturing Practices and shall comply with all regulations under The Federal Food, Drug, and Cosmetic Act and any State or Local statutes and regulations.

Every prospective Vendor will be required to submit documentation as a prerequisite and complete a form outlining food safety/security programs that are implemented at the manufacturing facility. Upon request, Vendors must be able to demonstrate evidence that these programs are in place.

RAW MATERIAL/INGREDIENT/FOOD PACKAGING DOCUMENT REQUIREMENTS

All food contact packaging and ingredients are subject to a preapproval process. Among other documents, detailed Specification Sheets, samples, and COAs (COCs for packaging), will be required.

Food Ingredient Specification Sheets shall include:

- Standard plate count
- Microbiological limits
- Solids, pH, moisture content
- Cut/size
- Shelf life, unopened, opened, frozen, thawed (where applicable)
- Storage condition, unopened, opened
- Weight to volume ratio or specific gravity
- Nutritional information
- Allergen statement (big eight) including gluten status, if no allergens, statement declaring such
- Ingredient label declaration, including all sub-ingredients
- GMO status
- Packaging options (Master case label information)
- Foreign material control, sifting or screening procedures, if applicable
- Country of Origin

- MSDS/SDS Sheet or Exemption Statement
- Statement of compliance with all relevant rules and regulations for food

Once Specification Sheets Are Approved:

- Only the approved ingredient or packaging item (item number specified on the PO) may be shipped
- Substitutions for approved items or ingredients will not be accepted
- Specification Sheets must be submitted for evaluation at the time any revisions are made by the manufacturer or supplier

Certificate of Analysis

Designated food ingredients, as per Stonewall Kitchen HACCP/HARPC plan, will require a Certificate of Analysis (COA). Notification of this requirement will be made prior to first order, then after, the COA will be required to accompany each shipment. The COA shall arrive at SK on or before the date of delivery of the product and must be Lot Code specific. The Lot Code on the COA must match the Lot Code on the product packaging. At minimum, the COA will contain the value / ranges on the approved product Specification Sheet and results of the micro analysis agreed upon on product approval. All products received without the COA will be placed on “QA Hold” and may jeopardize future orders. COA’s should be emailed in advance to coa@stonewallkitchen.com.

Certificate of Conformance

The functionality of food contact packaging materials shall be validated by the supplier to ensure product safety is not compromised and that the material is fit for its intended purpose and suitable for use. Validation shall include:

1. Certificates of Conformance for all packaging in direct contact with food; and
2. Tests and analysis to confirm the absence of potential chemical migration from the packaging to the food contents

Raw Materials/Ingredients- Shelf Life

Products shall only be accepted with a minimum shelf life of 65% or greater remaining, unless otherwise agreed upon in writing.

- Food ingredient specifications must include unopened and opened shelf life days
- Frozen ingredient specifications must include frozen and thawed shelf life days

Lot Codes

All Vendors are required to provide Lot Codes, Manufacturing Date Codes (with code interpretation), and Expiration or Best by Dates for all incoming food items.

Incoming Inspection

All raw materials received at SK are inspected for product or package integrity and to ensure that a Specification Sheet and FDA Reg. # are on file.

When delivering raw materials that contain allergens, Vendors **MUST** segregate allergens from non-allergens. In all instances of non-conformance, the QA department will place the material in question on “QA Hold” and

the Purchasing Department will contact the Vendor for disposition of the material.

Letter of Supplier (continuing) Guarantee

Must be submitted annually and shall reference compliance with federal regulations and guidelines.

THIRD PARTY CERTIFICATION FOR STONEWALL KITCHEN SUPPLIERS

Vendors manufacturing for Stonewall Kitchen branded finished goods products and / or supplying raw materials are required to have Third Party Certification of their manufacturing and warehouse facilities by an approved audit firm. Vendors shall furnish a summary report of each audit annually and Stonewall Kitchen reserves the right to review full audit results upon request. Critical findings will not be acceptable. Additionally, the Vendor must provide evidence of corrective actions taken in response to any other significant audit findings

STONEWALL KITCHEN BRANDED RESALE FOOD PRODUCTS

Product Information for Resale Items

Complete product information for all merchandise is required, as outlined on the SK Product Information Form (PIF). All information on said Product Information Form is relevant from date of signing unless noted and agreed upon otherwise in writing. If your product is exclusive to SK, failure to comply with an Exclusivity Agreement as noted on the SK Product Information Form will result in a charge back fee. Any changes require a new Product Information Form to be sent to SK and agreed upon by both parties.

Current complete Product Information Form (PIF) shall be completed for each product that will be sold by Stonewall Kitchen, prior to shipping and will require the following:

- Minimum information requirements: Nutrition Facts, Ingredient statement with allergen declaration, Gluten Status, Product GMO Status, Shelf Life, Product Code (code interpretation), Country of Origin declaration and any applicable certifications, i.e. Kosher, Organic, etc.
- Allergen Declaration, including gluten status, shall conform to FALCPA (Food Allergen and Consumer Protection Act). If no allergens, a statement is required stating such
- Open Date Coding of shelf life is required on all food items, case pack, and master pack. Any item sold through SK's Wholesale Channel will require International coding stated as follows: **Enjoy by DD/MMM/YYYY (Enjoy by 22MAR2011)**

Certificate of Analysis

If requested by Stonewall Kitchen, a Certificate of Analysis (COA) by product/lot may be required depending on product risk level. The COA will list results of analysis as requested for quality and food safety attributes.

Resale Food Products- Shelf Life At the time of receipt, remaining shelf life on all food products for resale should be a minimum of 90% of the shelf life specified by the Vendor in the Product Information Form, unless otherwise agreed upon in writing.

Letter of Supplier (continuing) Guarantee will be required annually.

Co-packaged product – If product is co-packed, a complete list of co-packers and co-packed products will be required. Additionally, the co-packers will need to comply with all Stonewall Kitchen requirements.

PACKAGING

PACKAGING FOR RESALE ITEMS

In the event that more than one SKU/ITEM is packed in the same carton, please clearly separate the items. Mixed SKU/ITEM's that are not clearly separated in the same carton will result in charge backs.

The following carton specifications must be adhered to:

- No carton should exceed 50 pounds
- Corrugation must be at least 200 pounds bursting strength and should be a minimum of 32ECT(edge crush test)
- All fragile products should be packed to prevent breakage during normal shipping and handling. The invoiced unit cost of merchandise received broken due to poor packing will be deducted from invoice payment
- All changes in packaging should be communicated to and approved by SK, with a new Product Information Form, if applicable, prior to shipping. For example: case pack quantities, UPC codes, etc.

LABELING

LABELING SPECIFICATIONS FOR RAW MATERIALS/INGREDIENTS

All Vendors must adhere to the Stonewall Kitchen Labeling Specifications without exception.

MASTER CONTAINER

In order to facilitate shipment receipt at our warehouses, each outer carton/master pack (drum, box, pail, etc.) should be clearly labeled with the following information:

1. All labels will contain human readable characters in English below a scannable barcode containing the following information:
 - a. Stonewall Kitchen item number and/or manufacturer's item number
 - b. Lot number
 - c. Expiration date or Production Date
2. Brief item description and item size/state/grade
3. The quantity and unit of measure of the container

Place this information on side of the container, not on the top or bottom. Items that require refrigeration or kept frozen must be visibly labeled stating so.

Failure to comply will result in a charge back.

LABELING SPECIFICATIONS FOR FOOD AND NON-FOOD RESALE ITEMS

This section provides further information on the labeling requirements regarding quality, placement and content. All Vendors must adhere to the Stonewall Kitchen labeling specifications **without exception**. Failure to comply will result in a chargeback. In case you are unable to comply with the requirements outlined in this section or have questions regarding the requirements please reach out to Receiver@StonewallKitchen.com or call 1-603-994-1100 X2117 **prior** to shipping the product.

****We prefer to utilize GTIN barcodes that may already be present on the product you are shipping to us. A case GTIN cannot be the same digits as the UPC numbers on the unit.**

 If your product already has a GTIN on the CASE and a UPC on the UNIT, then no additional labeling is required.

MASTER PACK

What is a Master Pack?

- A Master pack is a vessel that holds case packs within it
- Master packs are used to house product for transportation
- Master packs are typically disposed of after unpacking in our warehouse

We do not require labeling at the Master Pack level

We do require sequential numbering on the shipping labels adhered to the Master pack/ shipping cartons



CASE PACK

What is a Case Pack?

- A Case pack is any vessel that holds 2 or more units
Example: a cello bag containing 6 units, the bag is the case

****If your Case Pack has a GTIN code clearly marked in barcode format on the product no further item labeling is required. Never label over an existing GTIN. ****

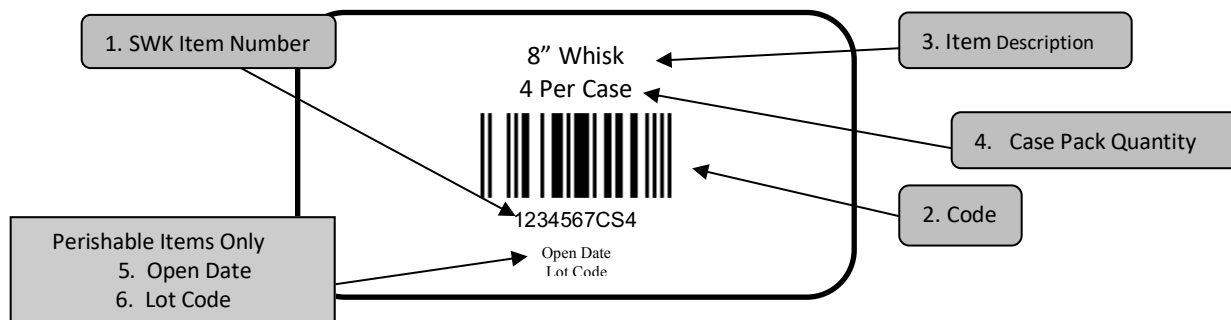
If your case pack does not have a GTIN code marked, in order to facilitate the movement of product and track inventory, each case should be clearly labeled with the following alternate labeling information. *Failure to comply may result in a charge back.*

Alternate Case Pack Labeling Requirements (For cases with no GTIN codes):

1. Stonewall Kitchen item number followed by the letters CS, followed by the quantity in the case. (item number will be found on the purchase order)
2. Code in both human readable and barcode format printed clearly and fully functioning (This cannot be the same digits as the UPC on the unit)
3. Brief item description
4. The case pack quantity (piece count) in the box, bag, or carton

For perishable items, must also include the following:

5. Open date coding of product shelf
6. Lot code (lot code format must match the lot code format on the item and referenced on packing slip)



ITEM

****If your product has a UPC code clearly marked in barcode format on the product no further item labeling is required. Never label over an existing UPC. ****

If your product does not have a UPC code marked on the product, in order to facilitate the movement of product and track inventory, each individual item should be clearly labeled with the following alternate labeling information. *Failure to comply may result in a charge back.*

Alternate Item Labeling Requirements (For items with no UPC codes):

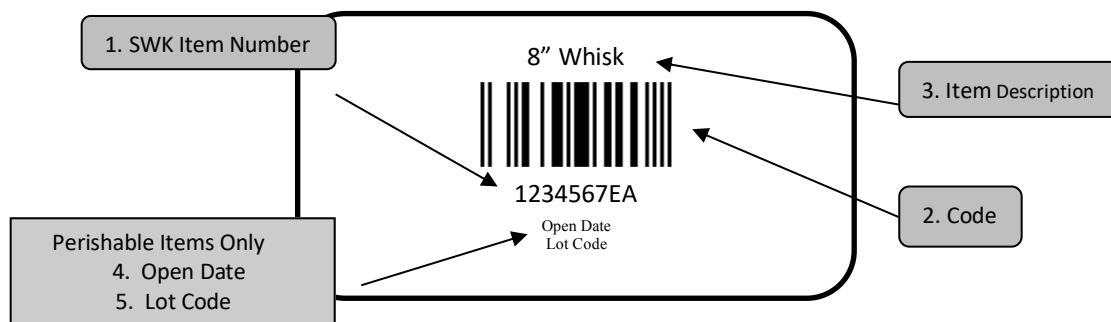
1. Stonewall Kitchen item number with the EA on the end (this may be found in the Purchase Order)
2. Code in human readable and barcode format
3. Item description

For perishable items, must also include the following:

4. Open date coding of product shelf life (date format must match the date format on the case)
5. Lot code (lot code format must match the lot code format on the case and referenced on packing slip)

Labels with vendor pricing are not allowed on the product, unless approved by SK in writing.

Label should be placed neatly on the back or bottom of item, not covering any important information.



LABELING GUIDELINES

Item labels must be placed on the product according to specific guidelines to ensure that guests as well as employees are able to locate them easily. The following item labeling specifications must be adhered to:

- Label must be put on the bottom of the package or product when possible
- Within the area defined for label location the ticket should not cover the logo or important text (including, but not limited to country of origin, age dating, or warning statements)
- Labels should be applied in neat manner, not crooked on packaging

Sources for purchasing pre-printed labels

If you are not able to print labels below you will a source that can create and print labels to your specifications.

<https://www.barcodesinc.com/generator/index.php>

PALLET PLACARDS

If your shipment consists of more than one pallet you must adhere placards to each pallet. Placard should be a standard 8x11 sheet of paper with the following information. Vendor name, PO number, SKU/Item number and quantity on the pallet and pallet number (example 1 of 3, 2 of 3, 3 of 3)

Failure to comply may result in a charge back.

SHIPPING/ROUTING INSTRUCTIONS

Shipments against all SK Purchase Orders must adhere to the shipment terms on the Purchase Order. Any deviations could result in chargebacks as outlined on page 19 & 20.

Under normal circumstances, Vendors are not permitted to ship merchandise to SK using airfreight, unless Vendor pays the entire freight cost or receives written permission from SK. All orders must be shipped according to SK Compliance Guidelines, Shipping/Routing Instructions. The Routing Instructions are subject to change therefore vendors are encouraged to review Routing Instructions prior to shipping.

Damages noticed at time of delivery will be noted on the Delivery Receipt. Vendor will be notified of any damaged merchandise discovered that was not visible at the time of delivery. Notification will occur within ten business days of receipt, at which time the vendor must issue a credit memo for the damaged merchandise. Vendor will be responsible for return freight costs and any labor handling costs relating to an inspection of a shipment. In lieu of an RTV authorization, SK will accept full credit for damaged/defective goods and destroy or dispose of them at the Vendor's request. However, merchandise or materials will only be held for five days from the time notification has been given. Disposal costs may be incurred and charged to the Vendor.

All shipments must be shipped to the Ship To location specified on the Purchase Order. **Failure to comply may result in a charge back as outlined on page 18.**

SHIPPING INSTRUCTIONS

Unless otherwise directed on the Purchase Order, all shipments UNDER 200 lbs. AND with volume less than or equal to 35,000 cu. in. (or 20 cu. ft.) are to be shipped via UPS collect.

- Stonewall Kitchen's UPS Collect account number is **0E6423** ('Zero' E6423) for shipments shipping to Rochester / Dover. Shipments to York should follow instructions on the PO. The account number is to be used only for **collect** UPS shipments to Stonewall Kitchen.
- As of January 2018, we are requiring all vendors to select automatic email notification when setting up UPS shipments. Not leveraging this notification will result in penalties starting in 2019. Depending on the two available formats to ship via our Collect UPS Account 0E642, please see below steps for setting up automated email notification to provide us with tracking numbers. Please set up primary notification to be sent to merchandiseorders@stonewallkitchen.com. If there is a second recipient option, please also add receiver@stonewallkitchen.com .
 1. UPS.com steps:
 - In **Shipping**, select **Create a Shipment**
 - Complete Steps 1-3
 - In Step 4, **Add or modify email notifications** by moving bar from No to **YES**.
 - Email window opens to fill in recipient of tracking
 - **Notify for:** Select "**ship**"
 2. UPS WorldShip steps:
 - In **Shipping** screen, go to **Options** tab
 - In **Shipment Options**, select **Quantum View Notification**
 - Click **Recipients** to add up to five recipients
 - Select "**ship**" to send at time of shipping

- **Purchase Order number must be noted in the reference section of the UPS shipping label as well as on the packing slip. Chargeback will be issued for missing or incorrect Purchase Order Number.**
- **Any box shipped over 50lbs will be subject to chargebacks accordingly.**
- **If your standard packaging qualifies as UPS oversized (see ****below**), you MUST ship and follow our freight routing requirements below.** *Failure to comply may result in a charge back.*
****** To determine if a package is ‘over-sized’: Calculate the Length plus twice the Width, plus twice the Height. If this number exceeds 130 inches and is equal to or less than 165 inches, email appropriate receiving warehouse.
- UPS Ground packages with a cubic size of 5,184 or larger: Divide the cubic size by 194 to determine the Dimensional weight. If the Dim weight is greater than the actual weight, email for routing information. Any questions regarding any of the above-mentioned calculations, please reference the following website for additional information: www.ups.com/content/us/en/resources/ship/packaging/dim_weight.html
- Multiple Purchase Orders may be shipped together as long as all other shipping guidelines are met.

Unless otherwise directed on the Purchase Order, all shipments OVER 200 lbs OR with volume greater than 35,000 cu. in. (or 20 cu. ft.) need to be emailed to:

Dover / Rochester: receiver@stonewallkitchen.com

York, Northeast Refrigeration & Somersworth: Contact Buyer on Purchase Order

With the following information:

- Vendor name
- SK PO#
- Number of pallets
- Total shipment weight
- Shipping class
- Ship “from” zip code

Pallet specification:

SK will only accept pallets that meet the specifications below

- 4 way entry
- Standard 48x40
- GMA grade **(See Exhibit A)**
- Not to exceed 2500 lbs
- Not to exceed 72 inches tall

All incoming freight should be sent Freight Collect, unless the complete cost of freight is being paid for by the Vendor.

RECEIVING CONTACT INFORMATION

SK Manufacturing/Warehouse Facility (York, ME)

Stonewall Kitchen

Phone:

207-351-2713

2 Stonewall Lane
York, ME 03909
Email: yorkreceiver@stonewallkitchen.com
Receiving Hours are Monday to Friday 8:30am – 3:00pm, subject to change

Fax: 207-363-0792
Receiver: 207-351-2713

Requires delivery appointment for full truck loads, recommended for all other deliveries.

Favorite Foods Facility

Favorite Foods
29 Interstate Drive
Somersworth, NH 03878
Receiving Hours are Monday to Friday 6:00 AM – 3:00 PM

Phone: 603-692-4990 x121
Kathleen Gustafson

Northeast Refrigeration Facility

Northeast Refrigerated & Distribution Phone: 978/851-4747 Appointments #5
1650 Shawsheen St.
Tewksbury, MA 01876

SK Distribution Center (Rochester, NH)

Stonewall Kitchen
7 Amarosa Dr
Rochester, NH 03868
Email: receiver@stonewallkitchen.com
Please call to schedule an appointment to deliver to Rochester facility

Phone: 603-994-1008
Fax: 603-994-1101
Receiver: X 2117

SK Distribution Center (Dover, NH)

Stonewall Kitchen
17 Stonewall Dr
Dover, NH 03820
Email: receiver@stonewallkitchen.com
Receiving Hours are Monday to Friday 7:00AM – 3:00PM

Phone: 603-994-1100
Fax: 603-994-1101
Receiver: X 2117

Requires delivery appointment for all freight deliveries.
Requires an Advanced Shipment Notice (ASN) on all receipts.

Please email the following information:

- SK PO #
- SKU/Item description,
- Quantity shipped
- Number of Master Packs (UPS) or pallets (FRT) to warehouse facility.
- See above for contact information.

- Please note on the Bill of Lading: ***“Delivery notification must be made with SK receiving dept. prior to delivery.”***

Failure to comply may result in a charge back.

***When possible, please avoid the use of Styrofoam peanuts for packing.
Corn starch peanuts are acceptable and can be recycled in our facility***

ADVERTISING & MARKETING MATERIALS

For advertising and/or marketing material orders, Stonewall Kitchen will include all requirements specific to that Purchase Order on the Purchase Order itself or on an accompanying document. If requirements are listed on an accompanying document, the Purchase Order will indicate this specification.

Failure to comply may result in a charge back. The amount of the chargeback will be determined based on the impact to business for Stonewall Kitchen. Stonewall Kitchen may also require the vendor to reproduce or rework at the vendor’s expense to meet the requirements set forth at the time of the order.

INVOICE REQUIREMENTS

The original invoice must be emailed/mailed immediately, within 5 days from the shipment, to ensure prompt payment processing:

Accounting@Stonewallkitchen.com

Stonewall Kitchen, LLC
ATTN: Accounts Payable
2 Stonewall Lane
York, ME 03909

Please include only one Purchase Order per invoice. Multiple Purchase Orders on an invoice will not be accepted.

The invoice must include:

- Invoice Number (number must be unique)
- Invoice Date
- Stonewall Kitchen Purchase Order Number (*Incorrect/missing PO Number will result in a charge back.*)
- Price, Extended Price and Total Amount of Invoice
- Discount, if applicable, based on total merchandise cost
- Total units shipped on invoice
- Ship-To Address as stated on the Purchase Order
- Vendor company name, mailing address and phone number

If there is a change to your remit-to address, it must be reflected on your invoice. We will only pay to the remit-to name and address on your invoice. Price on the invoice must match the amount originally specified on the Stonewall Kitchen Purchase Order.

In the event a credit memo is necessary, please include:

- Credit Number
- Credit Date
- Received from Address
- RA number
- Purchase Order number
- Item Number
- Quantity
- Price
- Total Credit Amount

Following the above guidelines helps to ensure prompt payment of invoices. If you have questions, please contact the Accounts Payable Dept: 207-351-2713.

CHARGE BACKS

Non-compliance charge backs will be issued when SK shipping, packing, labeling and/or invoice requirements are not met. Whenever applicable, non-compliance charge backs will be supported with written information regarding the violation. The fees (per Purchase Order) to the Vendor for non-compliance are as follows:

- **VC100:** Incorrect/missing information on master/case/item label - \$100.00 plus \$0.10 per unit (see pages 9-13)
- **VC101:** Merchandise shipped to wrong facility - \$150.00 (see page 14)
- **VC102:** Shipment received after cancel date - \$100.00 (see pages 4-5)
- **VC103:** Use of unauthorized carrier - \$50.00 plus full freight cost (see Shipping/Routing pages 14-16)
- **VC104:** 100% QA inspection on damaged/defective shipments - \$100.00 plus 4% of Invoice total (see pages 4, 6 & 7)
- **VC105:** No packing slip - \$50.00 (see page 5)
- **VC106:** Incorrect or missing SK PO # on Invoice, Packing Slip, or UPS reference - \$50.00 (see page 15)
- **VC107:** Failure to email or fax ASN (Advanced Shipping Notification/Packing Slip) - \$25.00 (see Shipping/Routing pages 14-16)
- **VC108:** Mixed SKU/ITEM's that are not clearly marked - \$100.00 (see page 5)
- **VC109:** Failure to include note on Bill of Lading for "Notify before Delivery" or "Call for Appt." - \$25.00 (see Shipping/Routing pages 14-16)
- **VC110:** Food products, item, case pack or master pack, not clearly marked with "Enjoy by" date or open shelf life code - \$100.00 plus \$.10 per unit (see pages 7-8)
- **VC111:** Merchandise has price applied without approval - 100.00 plus \$0.10 per unit (see page 12)
- **VC112:** Barcode missing on master pack, case or item - \$100.00 plus \$0.10 per unit (see pages 9-14)
- **VC113:** Change in product packaging or UPC code without prior acceptance - \$50.00 (see pages 9-13)
- **VC114:** Shipping guidelines for UPS in regards to size & weight not adhered to - \$50.00 plus full freight cost (see Shipping/Routing pages 14-16)
- **VC115:** Multiple PO's per pack slip and/or invoice - \$50.00 (see pages 4-5)
- **VC116:** Overage greater than 10% received without prior approval - \$50.00 (see page 4)

- **VC117:** Unapproved changes to product formula, process or process location - \$1,000 (see pages 6-7)
- **VC118:** Inadequate Shelf Life - \$100 (see pages 7-8)
- **VC119:** Marketing/Advertising – Collateral not packaged according to Purchase Order instructions (see page 17)
- **VC120:** Marketing/Advertising – Instructions on Purchase Order not Adhered to (see page 17)
- **VC121:** Damaged/unusable pallets at actual cost unless SK is being charged for the pallets being shipped to us; Chargeback will be the cost SK was charged for the pallet. (See pages 23-24)
- **VC122:** No COA delivered with Shipment or prior to receipt of shipment - \$100.00 (page 7-8)
- **VC123:** Use of non-standard pallets (48” x 40”) - \$50.00 (see pages 23-24)
- **VC124:** Wrong product shipped to SK - \$150.00 plus full freight cost (page 4)
- **VC125:** New Product Information Form Not Received - \$50.00 (see page 8)
- **VC126:** Incorrect/missing pallet placards/information - \$50.00 plus \$10.00 per pallet (see page 14)
- **VC127:** Barcode does not scan on master pack, case or item - \$100.00 plus \$0.10 per unit (see pages 9-13)
- **VC128:** Shipment not received by Expected Receipt Date - \$50.00 plus \$10.00 for each additional day
- **VC129:** Item Received Not on PO or Duplicate Order - \$100.00 plus inbound and outbound freight costs if applicable
- **VC130:** Incorrect or missing Packing Slip information - \$25.00 (see page 5)
- **VC131:** Different lot numbers must be separated on pallet w/ slip sheets for all raw materials \$100.00 plus any additional costs incurred (see page 5)
- **VC132:** Violation of scheduled delivery window (+/- 2 hours) – \$50.00

In the event the Vendor fails to provide the agreed upon product as per the Product Information Form, SK reserves the right to charge back to the Vendor any and all costs associated with that product(s) and the production of our catalog.

Chargebacks and Merchandise Credit Memos will be deducted from vendors account separately. Please note that these guidelines are non-negotiable.

Updates to these guidelines will be done periodically and Stonewall Kitchen will promptly forward any updates to the Vendor.

EMAIL NOTIFICATION EXAMPLE & CHARGEBACK FORM

Dear Valued Vendor:

Stonewall Kitchen notifies our vendors when they have not met our Vendor Compliance Guidelines as instructed with each purchase order.

Chargeback Number:

Chargeback Amount: \$

This is a notification that a recent order received by Stonewall Kitchen from your company was not in compliance with these Guidelines. A copy of the Chargeback Form has been included with this notification showing the Purchase Order it pertains to and the description of the chargeback(s).

Should you wish to dispute this chargeback or have any questions, please contact the appropriate purchaser whom have also been included in this email within 3 business days from the date of this notification. If no response is received within this notification period the debit to your account will be processed and deducted in the next payment processed for your company.

Contact Information:

Raw Materials/Packaging items: Eric Rousseau, 207 351 2713, ext 1050

Packing supplies: Donna Donahue, 603 994 1100, ext 2103

Resale Items: Libby Nowell, 207 351 2713, ext 1040

Please do not contact our warehouse directly.

If this email has reached you in error, please forward to Accounts Receivable

Sincerely,
Stonewall Kitchen LLC
207-351-2713

STONEWALL KITCHEN

Date Received		Receiver Name	
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PO Number		Vendor Name	
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Check per Violation	Claim Code	Description of Chargeback	Total # Units
Inventory			
	VC111	Merchandise has price applied without approval - \$100.00 plus \$0.10 per unit	
	VC113	Change in product packaging or UPC code without prior acceptance - \$50.00	
	VC116	Overage greater than 10% Received without prior approval - \$50.00	
	VC124	Wrong product shipped to SK - \$150.00 plus full freight cost	
Labeling			
	VC100	Incorrect/missing information on master/case/item label - \$100.00 plus \$0.10 per unit	
	VC108	Mixed SKU's that are not clearly marked - \$100.00	
	VC112	Barcode missing (Masterpack / Case / Item)- \$100.00 plus \$0.10 per unit	
	VC127	Barcode does not scan (Masterpack / Case / Item) - \$100.00 plus \$0.10 per unit	
Shipping			
	VC101	Merchandise shipped to wrong facility - \$150.00	
	VC103	Use of unauthorized carrier - \$50.00 plus full freight cost	
	VC121	Damaged / unusable pallets \$0 unless SK is being charged for the pallets being shipped to us; Charge backs will be the cost SK was charged for the pallet.	
	VC123	Use of non-standard pallets (48" x 42") - \$ 50.00	
	VC126	Incorrect/missing pallet placards/information - \$50.00 plus \$10.00 per pallet	
	VC114	Shipping guidelines for UPS in regards to size & weight not adhered to - \$50.00 plus full freight cost	
	VC131	Different lot numbers must be separated on pallet w/slip sheets for all Raw Materials - \$100.00 plus any additional expenses incurred	
	VC132	Receipt of order > 2 hours outside (+/-) of assigned delivery time (only for shipments scheduled by supplier and not by Stonewall Kitchen)	
Documentation			
	VC105	No packing slip - \$50.00	
	VC106	Incorrect or missing SWK PO # on Invoice, Packing Slip, or UPS reference - \$50.00	
	VC107	Failure to email or fax ASN (Advanced Shipping Notification/Packing Slip) - \$25.00	
	VC109	Failure to include note on Bill of Lading for "Notify before Delivery" or "Call for Appt." - \$25.00	
	VC115	Multiple PO's per packslip and/or invoice - \$50.00	
	VC125	New Product Information Form Not Received - \$50.00	
	VC130	Incorrect or missing Packing Slip information - \$25.00	
	VC131	Different lot numbers must be separated on pallet w/slip sheets for all Raw Materials - \$100.00 plus any plus any additional expenses incurred	
Quality			
	VC110	Food products not clearly marked with "Enjoy by" date or open shelf life code -\$100.00 plus \$0.10 per unit	
	VC117	Unapproved changes to product formula, process or process location - \$1,000	
	VC118	Inadequate shelf life - \$100	
	VC122	No COA delivered with shipment or prior to receipt of shipment - \$100	
Marketing			
	VC119	Marketing/Advertising - Collateral Not Packaged according to Purchase Order Instructions	
	VC120	Marketing/Advertising - Purchase Order Instructions not Adhered to	
Performance			
	VC102	Shipment Received after Cancel Date - \$100.00	
	VC104	100% QA inspection on damaged/defective shipments - \$100.00 plus 4% of Invoice Total for Item	
	VC128	Shipment not received by Expected Receipt Date - \$50.00 plus \$10.00 each additional day	
	VC129	Item received Not on PO or Duplicated Order -\$100.00 plus inbound and outbound freight costs if applicable	

Comments: **PHOTO(S) INCLUDED**

Any questions pertaining to this chargeback shall be directed to the following, (207) 351-2713:
 Raw Materials: Eric Rousseau, x 105 Resale Foods and Hardgoods: Libby Nowell, x 1040

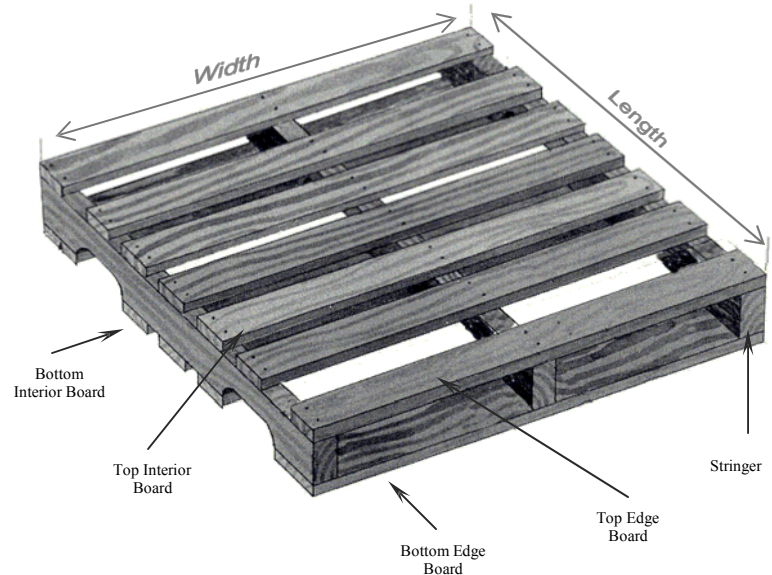
Exhibit A

Pallet Specification – GMA Grade

General Description

1. 3 pieces – 1 ¼" x 3 ½" x 48"
2. 2 pieces – 5/8" x 5 ½" or 3 ½" x 40"
3. 2 pieces – 5/8" x 5 or 3 ½" x 40"
4. 5 pieces – 5/8" x 3 ½" x 40"
5. 3 pieces – 5/8" x 3 ½" x 40"

Note: Lead Boards can be 3 ½" or 5 ½", but the spacing between top deck boards must not exceed 3 ½"



Specifications of an Acceptable Pallet

1. GMA, Grade A, 4-way, 48"x40" pallet.
2. All parts must be a minimum of the dimensions above.
3. Lead boards flush with end of stringer.
4. All top and bottom boards must be securely attached to all stringers.
5. All forms of stringer repair (double stringers, companion stringers, blocks and corrugates) are not acceptable.
6. Stringer that has a crack visible from three sides is not acceptable (weathering cracks that are not visible from three sides of the stringer are acceptable).
7. No partial footings. Partial footings are when ¼ or more of the stringer's width has been removed exposing securing nail shanks.
8. No missing boards or boards broken across the width on top or bottom.
9. No cracks on top or bottom boards greater than 1/8" wide and 15 inches in length.
10. No tapered breaks with a depth of greater than 1 inch along a ten-inch or more run. If at the ten inch distance the depth is less than one inch, the pallet is good. If the one-inch depth runs the entire length of the board the pallet is unacceptable.
11. No exposed splinters greater than 3 inches in length.
12. Nail heads or nail points must be hammered down into the stringer.
13. Pallets should be clean and free of contaminants.
14. No Pine Boards
15. All Pallets traveling internationally must be fumigated

Non-Conformance Examples

