



## **VENDOR COMPLIANCE GUIDELINES** **(EFFECTIVE JULY 1, 2013)**

### **INTRODUCTION**

Since 1991 Stonewall Kitchen (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 all the information needed for packing, labeling, shipping and invoicing products. These guidelines have been established to provide efficient and effective processing of receipts within our distribution centers. 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

- Chargebacks descriptions updated or added:
  - **Shipment not received by Expected Receipt Date (VC128) - \$50.00 plus \$10.00 for each additional day**
  - **Item Received Not on PO or Duplicate Order (VC129) - \$100.00 plus Freight Costs if applicable**
- Removed the option for GS1-128 from labeling specifications for Raw Materials/Ingredients and Non-Food Items
- Added under General Requirements for Shipments: (See page 4)
  - SK may refuse delivery, delay delivery, or leverage a charge back if a shipment is made:
    - Where mixed lots of a single item are not clearly stated and/or separated on the Packing List. Different lot numbers need to be separated on a pallet with slip sheets for all Raw Materials and Resale Foods
    - Against a Purchase Order that has been canceled (page 4)
    - Where a valid Purchase Order has not been issued
- Updated contact for Favorite Foods facility: Kathleen Gustafson (603) 692-4900 x121 (page 15)
- Labeling Specifications for Raw Materials/Ingredients for Master Container added verbiage (in red-page 8) to:
  - All labels will contain human readable characters in English below a scannable barcode containing the following information:
    - Stonewall Kitchen item number **and/or manufacturers item number**
    - Lot number
    - Expiration date **or production date**
- Updated contact for Shipping Instructions (page 14)
  - **York & Somersworth**: Contact **Buyer on Purchase Order** for shipping instructions

## REMINDER

- Labeling Specifications for Non-Food Items (page 10)

### ITEM

**\*\*If your product has a UPC code clearly marked in barcode format on the product no further item labeling is required\*\***

## **TABLE OF CONTENTS**

<b>General</b>	<b>4</b>
<b>Product</b>	<b>5-7</b>
<b>Packaging</b>	<b>8</b>
<b>Labeling Specifications</b>	<b>8-13</b>
<b>Shipping/Routing Specifications</b>	<b>13-15</b>
<b>Advertising &amp; Marketing Materials</b>	<b>16</b>
<b>Invoicing Requirements</b>	<b>17</b>
<b>Charge Back Summary</b>	<b>18, 19</b>
<b>Email Notification Example &amp; Chargeback Form</b>	<b>20, 21</b>
<b>Pallet Specifications</b>	<b>22, 23</b>

# **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 originally agreed upon merchandise.

Vendor may not substitute any merchandise on any SK Purchase Order. 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 that all merchandise is received by SK in undamaged, saleable condition to the Purchase Order destination. If quantities sent exceed quantities ordered, the additional quantities will be subject to return. Any freight charges incurred will be charged back to the Vendor.

## **QUALITY STANDARDS**

All shipments must adhere to the 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. 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. This procedure may prevent charge backs from an invoice for non-compliant product or quality inspection.

## **SHIPMENTS**

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

- Against a Purchase Order that has been cancelled
- Where a valid Purchase Order has not been issued
- Where a Packing List for food items does not include shelf life code(s), is not included on the outside of any carton in the shipment, and does not include the PO number. Packing Lists cannot contain more than one Purchase Order number
- 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
- Before the ship date listed on Purchase Order without prior written permission
- After the cancel date listed on Purchase Order without prior written permission
- Where mixed lots of a single item are not clearly stated and/or separated on the Packing List. Different lot numbers need to be separated on a pallet with slip sheets for all Raw Materials and Resale Foods.

Physical delivery and receipt of a shipment at the SK warehouse does not constitute acceptance of any goods. 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 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 requested below and complete a form outlining the prerequisite and food safety programs that are implemented at their manufacturing facility. Upon request Vendors must be able to demonstrate evidence that these programs are in place. (Prerequisite and Food Safety Program checklist, included in Packet)

### **STONEWALL KITCHEN BRANDED FOOD PRODUCTS**

Vendors manufacturing for Stonewall Kitchen branded products are required to have Third Party Certification of their manufacturing and warehouse facilities by an approved audit firm within one year of contract with Stonewall Kitchen and annually thereafter. The Vendor shall furnish at least a summary report of each audit 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.

### **RAW MATERIAL/FOOD PACKAGING DOCUMENT REQUIREMENTS**

*Specification Sheets - Spec Sheets must be received with all new/substitute Raw Material/Food Packaging samples.*

#### **Raw Material Product Spec Sheets shall include:**

- Standard plate count
- Microbiological limits
- Solids, ph, moisture
- Cut/size
- Shelf life, unopened, opened
- Storage, 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

## **Raw Material Product Spec Sheets shall include, continued:**

- GMO status
- Packaging options (Master case Label Specs)
- Sifting or screening procedures, if applicable
- Country of Origin

## **Certificate of Analysis**

Designated raw materials, as per Stonewall Kitchen HACCP plan, additionally 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 per shipment. The COA shall arrive at SK on or before the date of delivery of the product and must be Lot Code specific. At minimum, the COA will contain the results of the Micro requirements agreed upon on product approval. All products received without the COA will be placed on “QA Hold” and this may jeopardize future orders.

## **Certificate of Conformance**

The functionality of packaging materials shall be validated to ensure product safety is not compromised and 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

## **Product Substitution**

If there is a need to replace/substitute a raw material, the supplier must first provide a spec sheet and sample of the product to be substituted to SK Purchasing Dept. for QA/R&D approval prior to authorizing shipment.

## **Incoming Inspection**

All raw materials received at SK are inspected, for product/package integrity and to ensure that a Spec 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”. The Purchasing Department will contact the Vendor for disposition of the material.

## **Lot Codes**

All Vendors are required to provide SK with manufacturing codes and the interpretation of that code, as well as expiration or best by dates, for all incoming food items.

## **Shelf Life-Raw Materials**

Products shall only be accepted with a shelf life of 60% or greater remaining, unless otherwise agreed upon, in writing.

## Letter of Supplier (continuing) Guarantee

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

MSDS Sheet-if applicable

---

## FOOD PRODUCTS FOR RESALE

Current complete Product Information Forms (PIF) shall be completed for each product that will be sold by Stonewall Kitchen, prior to shipping.

- Minimum information requirements: Nutrition Facts, Ingredient statement with allergen declaration, 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
- If requested by Stonewall Kitchen, a Certificate of Analysis (C.O.A.) by product/lot may be required depending on product risk level. The C.O.A. will list results of analysis as requested for quality and food safety attributes
- 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)**
- At the time of receipt, remaining shelf life on all food products for resale should equal 90-95% of the shelf life specified by the Vendor in the Product Information Form, unless otherwise agreed upon in writing.
- If product is co-packed, provide a complete list of co-packers and co-packed products. Additionally, the co-packers will need to comply with all Stonewall Kitchen requirements
- Letter of Supplier (continuing) Guarantee will be required annually

## **PRODUCT INFORMATION FOR RESALE ITEMS**

Complete product information for all merchandise is required, as outlined on the SK Product Information Form. 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.

# **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**

*Note: The specifications below are requested as of July 1, 2013. Any vendor that can meet these requirements may start labeling immediately, as defined below. Those that are unable to meet these requirements by July 1, 2013 will need to contact Purchasing prior so that we may work towards the best solution for both parties.*

**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 manufacturers 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

Please 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 may result in a charge back.*



# LABELING SPECIFICATIONS FOR NON-FOOD ITEMS

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

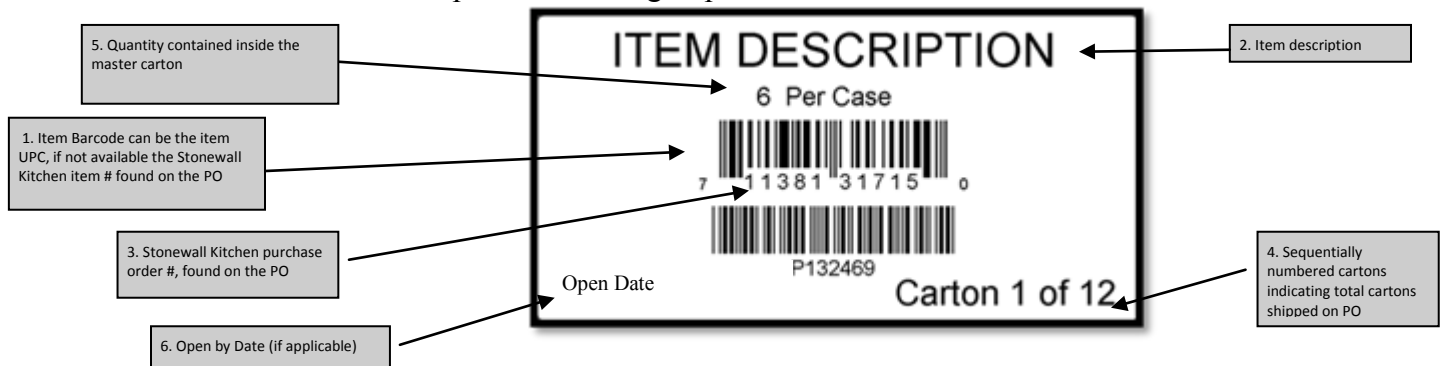
If the items being purchased are PRIVATE LABELED then there can be no Vendor information printed or Included on any of the packaging, packing material, inner case packs, master cartons, printed inserts, collateral or any other branded material.

## MASTER PACK

In order to facilitate shipment receipt at our warehouses, each outer carton/master pack should be clearly labeled with the following information:

### Single Sku per Box

1. Product UPC code (UPC-A) OR Stonewall Kitchen SKU number (Barcode 39). In human readable as well as barcode format.
2. Brief item description and Vendor item/style number
3. Stonewall Kitchen Purchase Order number, both in human readable as well as barcode (Barcode 39)
4. Carton sequencing counted and notated accordingly example 1 of 8, 2 of 8, etc.
5. The quantity (piece count) in the box/carton
6. IF item is edible: Open Date coding of product shelf life



### Multiple Sku's per Box

1. Stonewall Kitchen Purchase Order number, both in human readable as well as barcode (Barcode 39)
2. Carton sequencing counted and notated accordingly (example 1 of 8, 2 of 8, etc.)



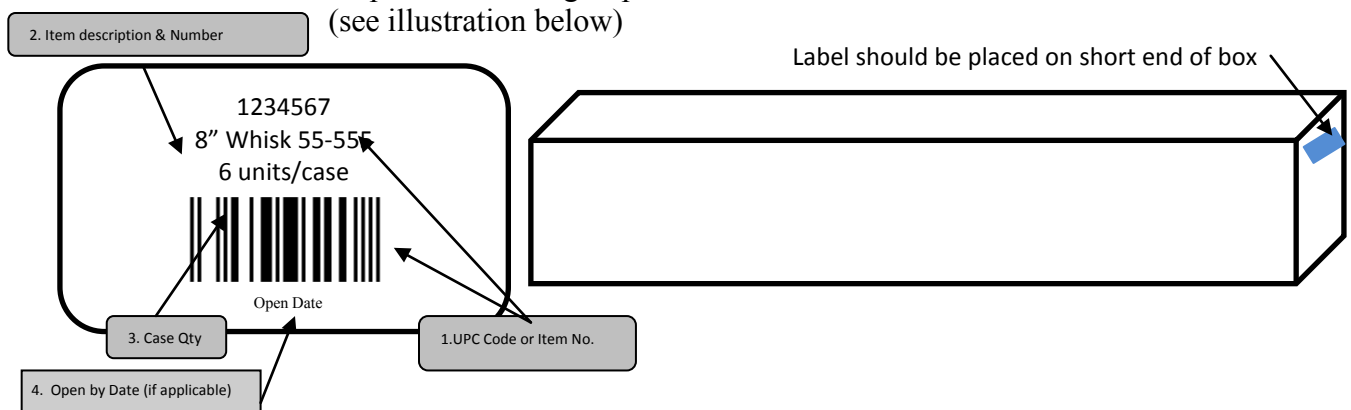
Please place this information on one end panel side of the carton/bale, not on the top and bottom. This enables the carton labeling to be visible when cartons are stacked. Perishable items must be clearly labeled as such.

***Failure to comply may result in a charge back.***

## CASE PACK

In order to facilitate the movement of product and to track inventory, each individual case should be clearly labeled with the following information:

1. UPC code (UPC-A) OR Stonewall Kitchen SKU/ITEM number (Barcode 39)- Both human readable and barcode format
2. Brief item description and Vendor item/style number
3. The case pack quantity (piece count) in the box/carton
4. If item is edible: Open Date coding of product shelf life



Please place this information on one end panel side of the carton/bale, not on the top and bottom. This enables the carton labeling to be visible when cartons are stacked. Perishable items must be clearly labeled as such. *Failure to comply may result in a charge back.*

## ITEM

**\*\*If your product has a UPC code clearly marked in barcode format on the product no further item labeling is required\*\***

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 information. *Failure to comply may result in a charge back.*

1. Stonewall Kitchen item number (found on the PO) or UPC code
2. Barcode 39 of the SWK item number or UPC - A
3. Stonewall Kitchen Item Description (found on the PO)
4. Open Date coding of product shelf life

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



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

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 find two sources that can create and print labels to your specifications.

[www.ibmd.averydennison.com/solutions/ticket-express.asp](http://www.ibmd.averydennison.com/solutions/ticket-express.asp)  
[www.fineline.com](http://www.fineline.com)

# Labeling Specification Summary- Non-Food Items

IF item is edible: Open Date coding of product shelf life must be on each of these labels as well. **Ex. Best by 26JAN2012**

Labels should be placed on width side of carton.  
IF more than one PO in Master pack it must be noted on Label

## FOR MASTER CARTONS WITH ONE SINGLE SKU



## FOR MASTER CARTONS WITH MULTIPLE SKUs



### CASE PACK

Label should be placed on short end of box



### ITEM

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



*If item has scan able UPC code on it, no need to label item*



## **LABELING CONT.**

### **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 18.

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). The account number is to be used only for **collect** UPS shipments to Stonewall Kitchen.
- **Purchase Order number must be noted in the reference section of the UPS shipping label as well as on the packing slip.**
- **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](http://www.ups.com/content/us/en/resources/ship/packaging/dim_weight.html)

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:

**Rochester:** [receiver@stonewallkitchen.com](mailto:receiver@stonewallkitchen.com)

**York & 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                      Fax:                207-363-0792  
York, ME 03909                      Receiver:        X 7603  
Email: [yorkreceiver@stonewallkitchen.com](mailto:yorkreceiver@stonewallkitchen.com)  
Receiving Hours are Monday to Friday 8:30am – 3:00pm

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

### Favorite Foods Facility

Favorite Foods                              Phone:            603-692-4990 x121  
29 Interstate Drive                      Kathleen Gustafson  
Somersworth, NH 03878  
Receiving Hours are Monday to Friday 6:00 AM – 3:00 PM

### SK Distribution Center (Rochester, NH)

Stonewall Kitchen                      Phone:            603-994-1100  
7 Amarosa Drive, Unit #2              Fax:                603-994-1101  
Rochester, NH 03868                  Receiver:        X 2117  
Email: [receiver@stonewallkitchen.com](mailto:receiver@stonewallkitchen.com)  
Receiving Hours are Monday to Friday 7:30AM – 2:30PM

Requires delivery appointment for full truck loads, recommended for all other 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](mailto: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 (*Failure to comply may 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:

- **Incorrect/missing information on master/case/item label (VC100) - \$50.00 plus \$0.10 per unit (see pages 8-13)**
- **Barcode missing on master pack, case or item (VC112) - \$100.00 plus \$0.10 per unit (see pages 8-13)**
- **Incorrect/missing pallet placards/information (VC126) - \$50.00 plus \$10.00 per pallet (see page 13)**
- **Merchandise shipped to wrong facility (VC101) - \$150.00 (see page 13)**
- **Mixed SKU/ITEM's that are not clearly marked (VC108) - \$100.00 (see page 8)**
- **Use of unauthorized carrier - \$50.00 plus full freight cost (VC103) (see pages 13-15)**
- **100% QA inspection on damaged/defective shipments (VC104) - \$100.00 plus 4% of Invoice total (see pages 6 & 7)**
- **No packing slip (VC105) - \$50.00 (see pages 4)**
- **Failure to mark Invoice, Packing Slip, or UPS reference w/ SK PO # (VC106) - \$25.00 (see page 14)**
- **Failure to email or fax ASN (Advanced Shipping Notification/Packing Slip) (VC107) - \$25.00 (see pages 13-15)**
- **Failure to include note on Bill of Lading for "Notify before Delivery" or "Call for Appt." (VC109) - \$25.00 (see pages 13-15)**
- **Food products, item, case pack or master pack, not clearly marked with "Enjoy by" date or open shelf life code (VC110) - \$100.00 (see pages 6- 7)**
- **Merchandise has price applied without approval (VC111) - \$100.00 plus \$0.10 per unit**
- **Barcode does not scan on master pack, case or item (VC127) - \$100.00 plus \$0.10 per unit (see pages 8-13)**
- **Change in product packaging or UPC code without prior acceptance (VC113) - \$50.00 (see pages 8-13)**
- **Shipping guidelines for UPS in regards to size & weight not adhered to (VC114) - \$50.00 plus full freight cost (see pages 13-15)**

## **CHARGE BACKS CONT.**

- **Multiple PO's per pack slip and/or invoice (VC115) - \$50.00 (see page 7)**
- **Overage greater than 10% received without prior approval (VC116) - \$50.00**
- **Shipment received after cancel date (VC102) - \$100.00 (see pages 4)**
- **Unapproved changes to product formula, process or process location (VC117) - \$1,000 (see page 5)**
- **Inadequate Shelf Life (VC118) - \$100 (see pages 6- 7)**
- **Damaged / unusable pallets at actual cost unless SK is being charged for the pallets being shipped to us; Charge backs will be the cost SK was charged for the pallet. (VC121)**
- **No COA delivered with Shipment or prior to receipt of shipment (VC122)- \$100.00 (page 6)**
- **Use of non-standard pallets (48" x 40") (VC123) - \$50.00 (see pages 22-23)**
- **Wrong product shipped to SK (VC124) - \$150.00 plus full freight cost**
- **New Product Information Form Not Received (VC125) - \$50.00 (see page 7)**
- **Marketing/Advertising – Collateral not packaged according to Purchase Order instructions (VC119) (see page 16)**
- **Marketing/Advertising – Instructions on Purchase Order not Adhered to (VC120) (see page 16)**
- **Shipment not received by Expected Receipt Date (VC128) - \$50.00 plus \$10.00 for each additional day**
- **Item Received Not on PO or Duplicate Order (VC129) - \$100.00 plus freight costs if applicable**

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:

Effective July 1, 2012, Stonewall Kitchen has begun notifying 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, ext 1050

**Resale Items:** Sonya Keniston, 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**

<b>Date Received</b>		<b>Receiver Name</b>	
----------------------	--	----------------------	--

<b>PO Number</b>		<b>Vendor Name</b>	
------------------	--	--------------------	--

Check per Violation	Claim Code	Description of Chargeback	Total # Units
<b>Inventory</b>			
	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	
<b>Labeling</b>			
	VC100	Incorrect/missing information on master/case/item label - \$50.00 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	
<b>Shipping</b>			
	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	
	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	
<b>Documentation</b>			
	VC105	No packing slip - \$50.00	
	VC106	Failure to mark Invoice, Packing Slip, or UPS reference w/ SK PO # - \$25.00	
	VC107	Failure to email or fax ASN (Advanced Shipping Notification/Packing Slip) - \$25.00	
	VC115	Multiple PO's per packslip and/or invoice - \$50.00	
	VC109	Failure to include note on Bill of Lading for "Notify before Delivery" or "Call for Appt." - \$25.00	
	VC125	New Product Information Form Not Received - \$50.00	
<b>Quality</b>			
	VC110	Food products not clearly marked with "Enjoy by" date or open shelf life code - \$100.00	
	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	
<b>Marketing</b>			
	VC119	Marketing/Advertising - Collateral Not Packaged according to Purchase Order Instructions	
	VC120	Marketing/Advertising - Purchase Order Instructions not Adhered to	
<b>Performance</b>			
	VC104	100% QA inspection on damaged/defective shipments - \$100.00 plus 4% of Invoice Total for item	
	VC102	Shipment received after cancel date - \$100.00	
	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 Freight Costs if Applicable	

Comments:

Any questions pertaining to this chargeback shall be directed to the following. (207) 351-2713:

Raw Materials Vendors: Eric Rousseau, ext. 1050

Ressle Foods and Hardgoods: Sonya Keniston, ext. 1040

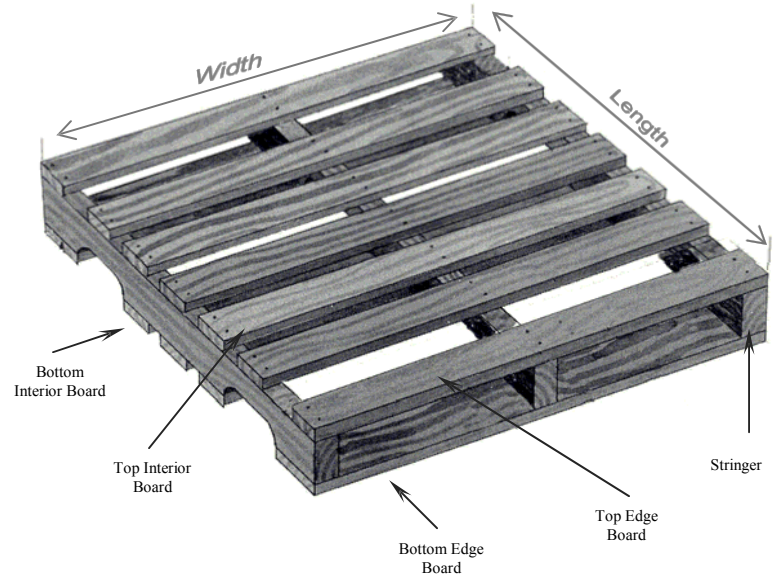
# Exhibit A

## 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 should be hammered down into the stringer.
13. Pallets should be clean and free of contaminants.
14. No Pine Boards

# Non-Conformance Examples

