

Continental Concession Supplies Inc.

Vendor Guide

Product and Delivery Policies and Procedures

Effective January 2016

Introduction

Continental Concession Supplies Inc. (CCSI) has taken steps towards updating and implementing the current Vendor Guide, which CCSI has had in place since 2004 with the last revision being in 2011.

With a few exceptions, these policies and procedures have been standard practices for Vendor shipping to CCSI's distribution centers for some time. They should not be viewed as new policies and procedures; but, a further refinement of current practices. These are being formally re-communicated to achieve the following:

1. Consistency across all CCSI distribution centers and with all Vendors
2. Improved supply chain management
3. Improved Vendor participation and compliance with CCSI policies and procedures
4. Reduction in costs associated in inaccuracies, both for Vendor partners and CCSI

While non-compliance to the Vendor Guide parameters may result in Vendor violations and infraction fees, it is not our desire to ever assess infractions against a Vendor. CCSI greatly values our Vendor partnerships and we expect that our Vendors will not have any trouble complying with this Vendor Guide. Should you have any questions or believe that you require an exception to any of the policies or procedures please email Vendorcompliance@ccsicandy.com.

Note: For specific CCSI customers, there are, and may be, addendums in place to this Vendor Guide to meet the requirements of those customers. Vendors involved with such CCSI customers will receive a separate addendum outlining those specific policies and procedures that differ from the Vendor Guide.

Operational Requirements

1. New Item Set Up Process

- a. CCSI requires a New Item set up Form (NIF) to be complete and accurate for every new item CCSI agrees to distribute. CCSI will not be able to set up any items without a complete and accurate NIF. Please see Appendix A for a sample NIF.
- b. A completed NIF must be returned to CCSI within 72 hours of a submitted request.
- c. A JPEG of the item must be included and an item sample must be expedited to CCSI. Exceptions are new items, seasonal items, etc. Please notify CCSI immediately if you are unable to provide a JPEG and/or sample.

2. CCSI Purchase Orders (PO)

- a. Confirmation of Vendor's receipt of PO must be emailed to po@ccsicandy.com within 24 hours of receipt of PO with a subject containing CCSI's 6-digit PO # and must include:
 - i. Any discontinued items, shortages, delays, and backorder solutions.
 - ii. An acceptance of CCSI's requested delivery date or a revised delivery date.
 - iii. Any pricing discrepancies.
 - iv. Shipment method, i.e. Small Parcel or truck.
- b. For CCSI customer specific requirements, please adhere to the instructions on the PO and attached addendums.

3. Dating Requirements For All Products

- a. Any product delivering to CCSI must have the greater of 6 months' shelf life remaining at time of delivery or a minimum of 3/4 (75%) of the remaining shelf life at time of manufacture.
 - i. When possible, product not meeting the shelf life requirement stated in 3a will be refused at time of delivery.
 - ii. In the event CCSI is unable to refuse the product, the Vendor will have 7 days to pick up the product from CCSI.
 - iii. CCSI will short-pay the associated Vendor invoice in direct relation to the improperly dated product(s).
- b. In the event that the product in question is not picked up within 7 days, CCSI may elect to donate or dispose of the product and the Vendor will be

responsible for the associated costs.

4. **Deliveries to CCSI Distribution Centers (DC)**

- a. Delivery appointments or rescheduled delivery appointments must be made for every PO delivering to any CCSI DC no less than 48 hours in advance of delivery.
- b. A packing slip must be included and clearly marked with every delivery.
- c. POs may not be combined unless otherwise specified.
- d. All product must be palletized. Pallet charges will not be accepted. CCSI does not participate in any pallet programs (CHEP, etc.).
- e. For items ordered in full pallet quantities, the item must deliver on a full non-mixed pallet with the same pallet configurations as provided on the NIF. Items ordered in full pallet quantities may not be double-stacked with a slipsheet.
- f. Any pallets consisting of a single item with mixed expiration dates must be noted at time of delivery. A label reading "MIXED DATES" is acceptable.
- g. A delivery is considered "late" if it is made after the confirmed date in the PO confirmation e-mail (refer to 2 a ii).
- h. A delivery is considered "missed" if the delivery arrives more than two (2) hours past the scheduled delivery time without notifying CCSI.
- i. In the event CCSI receives product that is damaged, damaged product will be handled in the same manner as short-dated product.

Compliance Infractions and Fees

Item Setup Infractions

| Code | Compliance Violation | Fee |
|-------------|--|--|
| 101 | Inaccurate or missing info on NIF or no JPEG | \$250 per item |
| 102 | NIF is not submitted within 72 hours | \$50 + \$25 for each additional day late |

PO Infractions

| Code | Compliance Violation | Fee |
|-------------|--|----------------|
| 201 | No PO confirmation within 24 hours | \$50 |
| 202 | PO is short product without advance notification | \$500 per item |

Product Dating Infractions

| Code | Compliance Violation | Fee |
|-------------|--|------------------|
| 301 | Mixed expiration dates on a pallet without label | \$250 per pallet |

DC Delivery Infractions

| Code | Compliance Violation | Fee |
|-------------|---|---|
| 401 | Unappointed PO(s) - arrived without an appointment | \$500 or refusal of load, Vendor's choice |
| 402 | Missed delivery appointment | \$250 per PO |
| 403 | Requested appointment scheduled less than 48 hours in advance of delivery | \$250 per PO |
| 404 | Freight sent collect and billed to CCSI | \$100 per occurrence + \$50 admin fee |
| 405 | Late delivery – delivery after PO due date | \$500 per PO |
| 406 | POs Combined without prior approval | \$250 per PO |
| 407 | Non-palletized product, excludes Small Parcel shipment | \$250 per pallet |
| 408 | Full pallet quantity delivered on a mixed SKU pallet | \$250 per pallet |
| 409 | Over-height pallet requires down-stacking to remove from truck | \$250 per pallet |
| 410 | Product ti-hi doesn't match ti-hi on NIF | \$250 per item |
| 411 | Mis-ship: SKU not on PO | SKU will be refused |
| 412 | No packing slip with delivery | \$250 per PO |
| 413 | No BOL with delivery, excludes Small Parcel shipment | \$250 per PO |

Appendix A – Sample Completed NIF



NEW ITEM FORM

| | |
|---|---|
| VENDOR/MFR | AMCE LLC |
| BROKER (if applicable) | all pro brokerage |
| MFR Item Number | QBC12345 |
| Item Description | CHOCOLATE COVERED PEANUTS 2.3 OZ STAND-UP BAG |
| Case Packing | 100 |
| Inner/Sleeve Packaging (if applicable) | 20 |
| Case shipping weight | 32.5 |
| Case UPC (14 digit) | 100-12345-99999-0 |
| Case UPC (12 digit) | 0-12345-99999-0 |
| Inner/Sleeve shipping weight | 0-12345-88888-0 |
| Each UPC: 12 Digit | 0-12345-77777-0 |
| Each Compressed UPC (if applicable) | 34560 |
| Case Dimensions (L x W X H) | 12.4 X 10.2 X 8.1 |
| Case Cube | .5928 |
| Inner/Sleeve Dimensions and Cube | 11.9 X 9.5 X 7.6 |
| Each/Unit Dimensions / Net Weight | .4972 |
| Vendor List Case Cost | \$100.16 |
| CCSI Case Cost | \$ 98.12 |
| Pallet Configuration TI x HI | 20 X 5 |
| Pallet dimensions including pallet | 40 X 48 X 72 |
| Country of Origin | USA |
| Product Shelf-life, in days | 365 |
| Open or closed dated, if closed, provide translation matrix | OPEN |
| Lead time | 14 BUSINESS DAYS |
| Minimum shipment | 1000 LBS |
| Comments | |