



## **Supplier Compliance Guide**

**Revised: May 2010**

# Supplier Compliance Guide

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# Supplier Compliance Guide

**Tony Montini**  
**Senior Vice President**  
**Category Management**

**Rite Aid**  
**30 Hunter Lane**  
**Camp Hill, PA 17011**

Dear Supplier Partner:

Rite Aid's goal is to develop a business partnership that will be long and prosperous for both of our companies. The requirements set forth in the Supplier Compliance Guide will allow us both to benefit from increased sales by striving to reduce processing time and increase the "turnover" on your products.

Rite Aid is committed to improving supply chain efficiencies associated with receiving, processing, storing, shipping and invoicing of your merchandise. The Supplier Compliance Guide provides key information on how to conduct business with Rite Aid, specifically:

- Merchandise Information and Technology - provides requirements for accurate item information, source tagging guidelines, Purchase Orders, unsaleable merchandise and EDI.
- Shipment and Routing - outlines the requirements for distribution and transportation of merchandise.
- Accounts Payable - provides requirements for accurate Supplier information and invoice processing.
- Key Performance Indicators (KPI's) - details the KPI's that we have selected to monitor the compliance/performance of warehouse Suppliers.
- Expense Offsets - identifies non-compliance areas and penalties.
- Import Information - outlines requirements for our import Suppliers.

Enclosed you will find detailed information for each of these areas, as well as other requirements. Should you have any questions, please contact the individual specified in this guide or your respective category manager. We also encourage you to visit the Rite Aid website at <http://www.riteaid.com/company/> and select 'Supplier Portal'.

Your cooperation in understanding and honoring the procedures set forth will contribute to a working relationship that will be mutually successful for both of our companies!

Sincerely,

**Tony Montini**

# Supplier Compliance Guide

## I. INTRODUCTIONS

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### HOW TO USE THIS GUIDE

This guide is intended as a general overview of key Supplier performance indicators, merchandise information and technology, distribution, transportation, and accounts payable. Each section will explain Rite Aid's requirements accordingly.

### SPECIAL NOTES

- This guide contains information for Warehouse Suppliers – it does not cover Direct Store Delivery Suppliers or Pharmacy Suppliers.
- An import section is included for our Import Suppliers.
- The Rite Aid Supplier Portal provides additional Supplier information including, but not limited to the following:
  - Leadership (Category Management Team)
  - New & Current Supplier / New Item Submissions
  - Source Tagging Requirements
  - EDI Startup and Specification Information
  - Shipping & Routing Information
  - Forms Library
  - Supplier Compliance Scorecard

Suppliers may access the Supplier Portal at <http://www.riteaid.com/company/> and select 'Supplier Portal'.

- Rite Aid reserves the right to alter, amend, or change any of the policies contained within the Supplier Supply Chain Guide at any time. It is the responsibility of the Supplier to maintain updated record of all Rite Aid policies & procedures. Nothing herein shall be deemed to constitute a limitation or waiver of any obligations or responsibilities that a Supplier may have or of any rights or remedies that Rite Aid may have, under law or in equity, all of which are hereby expressly reserved.
- **Supplier Compliance Requirements were effective March 1, 2002.**

# Supplier Compliance Guide

## **II. MERCHANDISE INFORMATION & TECHNOLOGY**

The Merchandise Information and Technology section outlines the requirements for accurate item information, Purchase Order processing, Rite Aid's expanding automation effort and the unsaleable merchandise policy.

### **ITEM INFORMATION (UPC)**

Accurate item information is critical for Rite Aid to service our customers and effectively manage inventory. Rite Aid requires Suppliers to join the Uniform Code Council (UCC) in order for their products to be UPC source marked and in compliance with set standards. The council may be contacted at: (800) 543-8137.

Not only is accurate item information necessary, but notification of changes is even more critical. Some of the frequently identified problem areas include:

- No UPC on merchandise that has a UPC assigned to it.
- UPC is incorrect on merchandise or carton.
- Supplier uses same UPC when product has changed.
- Packaging changes affect proper EAS tag placement
- Supplier has changed the UPC number without notifying Rite Aid.
- Pack size or carton quantity is changed without notification.
- Bar code of poor quality and will not scan.
- Selling unit UPC on carton case.

To prevent such issues, the following information provides the requirements for new item setup, notification of changes, and date code/shelf life.

### **NEW ITEM INFORMATION & MERCHANDISE SAMPLES**

When setting up new items, Rite Aid requires at least 6 (six) samples of new items for advertising and planogram purposes. These samples are to be provided free of charge to Rite Aid. In addition to the samples, the following information is **required**:

- General information about the product, i.e., item description, product identification numbers, appropriate UPC numbers, selling units per layer and pallet, is the item Checkpoint EAS source-tagged, case pack information, appropriate "optional" displays available (side panels etc.), terms of sale, i.e., opening order pricing/terms/guarantee sale.
- An ongoing review process evaluates whether a given product or line should be shipped on a prepaid or prepaid with freight allowance basis. To help facilitate this process, prices for product should be provided on both a prepaid and prepaid with freight allowance basis. New Suppliers should be prepared to present all initial products with both price formats.
- Key features/benefits of product being presented.
- Marketing/advertising plans, nationally and account specific.

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### NEW ITEM INFORMATION & MERCHANDISE SAMPLES (con't)

- IRI/Nielsen market data where available and applicable, preferably customized to Rite Aid hierarchy and geography.
- Competitive retail accounts information such as which other retail accounts carry the product and what is the competitive retail pricing for the product/products being submitted? Are the products source-tagged for other retail accounts?
- Specific comparison information to products with which the new item/items might replace and/or compete.
- Contact person, telephone number, to include toll free number if available, fax number, mailing and email addresses.
- Under separate cover submit product samples. These product samples will not be returned to you. Do not send one-of-a-kind prototypes.
- All new products and any current products viewed as high-theft are required to be reviewed for potential source-tag opportunities. A Source-Tagging Start Up Form must be completed and sent to Checkpoint Systems with one (1) sample of the product for evaluation. Obtain this form by contacting the Rite Aid Source-Tagging Coordinator at 717-975-5719. Please see the Source-Tagging Program section on page 18 for additional details.

### NOTIFICATION OF CHANGES

Business demands will require changes and proper lead-time for communicating these changes will reduce potential service and inventory issues. The chart below lists such changes and the communication requirements Rite Aid expects of its Suppliers:

<u>CHANGE</u>	<u>GUIDELINE</u>
Pricing	Suppliers must provide 60 days notice for permanent price changes
Case pack	Suppliers must provide 60 days notice
Product Change	Suppliers must request UPC changes 10 business days prior to shipment of the product to the first DC
Packaging Change	Suppliers must review with Rite Aid's Source Tag Coordinator for any effect on EAS tag placement
Substitutions	Suppliers must provide advance notification
Line Discontinuation	Suppliers must provide 120 days notice

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### DATED PRODUCT / SHELF LIFE

Rite Aid Distribution Centers will accept delivery and receive into inventory dated product from Suppliers within the guidelines below. Product that does not meet the guidelines will not be received into inventory.

Shelf Life Requirements	
Average Shelf Life	Average or range of shelf life for the product category at time of production by the manufacturer.
Requested Minimum	Minimum months of shelf life requested from Supplier at shipment.

TYPE	CATEGORY	AVERAGE SHELF LIFE	REQUESTED MINIMUM
<b>BEVERAGE</b>	Coffee	12 months	12
	Tea (Tea Bags)	1 -2 years	14
	Soda, Big Fizz 2 liters	6 months	6
	Water	1 – 2 years	12
	Other beverage	9 – 12 months	9
<b>C A N D Y</b>	Checkout Hard Candy & Mints	1 – 2 years	12
	Chocolate	9 – 12 months	9
	Chocolate with Nuts or Peanut Butter	6 – 12 months	6
	Non-chocolate including Chewing Gum	9 – 18 months	9
	Non-chocolate with Nuts, Licorice, and Marshmallow	6 – 9 months	6
<b>F O O D</b>	Adult Nutrition	1 year	12
	Baby Food & Formula	9 – 12 months	9
	Bars, Atkin Bars	9 – 12 months	9
	Bars, Cereal <i>including Pop Tarts</i>	6 – 9 months	6
	Bars, Power Bars	12 months	12
	Cereal	9 – 18 months	9
	Convenience Foods, Boxed	9 months – 2 years	9
	Convenience Foods, Canned	1 ½ – 7 years	18
	Convenience Meals	12 months	12
	Cookies	6 – 12 months	6
	Crackers	6 – 9 months	6
	GNC & National Third Party	1 – 3 years	12
	Nutritional Supplements	1 – 2 years	12
	Peanut Butter	12 months	12
	Popcorn, Microwave	12 months	12
	Snacks, Meat	12 – 18 months	12
	Snacks, Chips / Party Mix / Nuts ... <i>Salty</i>	9 – 15 months	9
	Snacks, Trail Mix and Rice Cakes	6 – 9 months	4
	Snacks, Raisins / Prunes	2 years	24
	Soup	1 – 2 years	12
Spices	1 – 4 years	12	
<b>O T C</b>	All OTC <i>including vitamins</i>	2 – 3 years	24
<b>P E T</b>	Pet Food, Canned	2 years	24
	Pet Food, Dry Bagged and Treats	1 year	12
<b>O T H E R</b>	Batteries	4 – 7 years	4 years
	Film & One Time Use Cameras	1 ½ – 2 years	18
<b>TOBACCO</b>	Cigarettes, Little Cigars & Smoking Tobacco	1 – 2 years	12
	Cigars	6 – 12 months	6
	Skoal (fine & long cut) and Skoal Bandits	16 – 24 weeks	16 weeks
	Kodiak	26 weeks	26 weeks
	Loose Leaf Tobacco & Chew	36 weeks	36 weeks
	Moist Snuff (in plastic)	36 weeks	36 weeks
Moist Snuff (in cardboard) ... Copenhagen	4 weeks	4 weeks	

Effective 03/25/2010

Corporate Inventory Control Department

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### **PURCHASE ORDER TERMS & CONDITIONS**

Rite Aid's "Terms and Conditions" are listed as follows. Said terms and conditions will govern in the event of any conflict between the Purchase Order and any other document.

1. The term "Purchaser" refers to Rite Aid and its subsidiaries, affiliates and assigns. The term "Supplier" refers to the party to whom this order is addressed.
2. By acceptance of this order, Supplier agrees to sell and deliver, and Purchaser agrees to purchase and accept from Supplier, the goods described in this Purchase Order, in conformance with and subject to all of the terms, conditions, definitions, and instructions contained herein.
3. Force Majeure: Supplier shall not be liable for any delay or failure to deliver any or all the goods if that delay or failure is caused by labor disputes, strikes, war, riots, insurrection, civil commotion, fire, flood, accident, storm or any act of nature. The Purchaser shall not be liable for failure to take delivery of the goods attributable to any of the causes specified in this paragraph if they render it commercially impractical for the Purchaser to receive the goods. When either Supplier or the Purchaser claims an excuse for nonperformance under this paragraph, they must give reasonable notice to the other party.
4. In the event any dispute arises between the Supplier and Rite Aid, either party may request in writing an opportunity to meet and confer regarding the dispute. If such a request is made, it is mandatory that the parties meet and confer within 45 days of the date of the written request. This meet and confer will take place at Rite Aid, 30 Hunter Lane, Camp Hill, PA 17011, unless Rite Aid, in its sole discretion, chooses a different location. If the meet and confer is unsuccessful, the parties agree that the dispute will be resolved through mandatory, binding, non-appealable Alternate Dispute Resolution. Rite Aid, in its sole discretion, shall choose the type of Alternate Dispute Resolution that will govern the dispute. Pennsylvania law shall govern without giving effect to its choice of law rules.
5. Supplier warrants, represents, and guarantees to Purchaser that all goods, and the production, billing, advertising, shipping, sale and use thereof, comply with all federal, state and local laws and regulations applicable thereto, and do not infringe upon or violate any patent, trademark, copyright or any other rights.
6. Supplier must indicate a rejection of this order and all terms and conditions via fax or email to the replenishment buyer within five (5) days of the date of the purchase order; otherwise the order is deemed accepted.
7. Supplier agrees to defend, protect, indemnify and save harmless the Purchaser, its assigns, subsidiaries, affiliates and customers from all losses, claims costs, suits, damages, fines, penalties, expenses, and counsel fees incurred or suffered by reason of any breach of this Agreement and any injury to or death of any person or loss of or damage to any property arising from the sale, offering for sale or use of the product, or arising from services provided by the Supplier in connection therewith. These indemnification provisions shall survive the termination of the Agreement.
8. Supplier warrants, represents and guarantees to Purchaser that the goods covered by this order are fit and safe for consumer use and that they comply (and will perform in accordance) with all Supplier's warranties, express and implied, and acceptance of the order shall constitute an agreement upon Supplier's behalf to indemnify, defend and hold the Purchaser harmless from all claims, liability, loss,



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## II. MERCHANDISE INFORMATION & TECHNOLOGY

### **PURCHASE ORDER TERMS & CONDITIONS (con't)**

damage and expense (including reasonable attorneys' fees and costs) incurred or sustained by Purchaser by reason of any breach of such warranties. These indemnification provisions shall survive the termination of the Agreement.

9. Supplier agrees to abide by and ship goods in accordance with the current Supplier Supply Chain Guide. This does not apply to Corporate and Store Supply purchases.  
(See Supplier Supply Chain Guide at [http://www.riteaid.com/company\\_info/supplier\\_central](http://www.riteaid.com/company_info/supplier_central))
10. In case of any threat of action or claim against Purchaser by any person or entity due to use, sale, offering for sale or shipment of any goods Purchaser shall, at its election, and in addition to its rights herein and any other remedies, be entitled to receive from Supplier full payment in cash of the invoice price paid by Purchaser plus all expenses incurred upon tendering to Supplier any remaining goods so complained against, unless, within ten (10) days from demand for such payment Supplier shall offer surety or other assurances satisfactory to Purchaser for the performance of its obligations.
11. In the event that any goods covered by this order are subject to the Federal Food, Drug and Cosmetic Act, Wool Products Labeling Act, Fur Products Labeling Act, Flammable Fabrics Act, Consumer Products Safety Commission CA Prop. 65, and/or other various rules and regulations of an appropriate federal or state agency, Supplier's invoice shall bear the separate guarantees provided under the Acts or state that such invoice provides a continuing guarantee in favor of Purchaser and its customers that the goods and products comply with such applicable federal or state statutes.
12. In the event of sale by sample, Supplier represents and warrants to Purchaser that the goods delivered shall in all respects conform to the samples provided. Purchaser has the right to either cancel or return any or all portions of the goods delivered due to failure to conform. It is expressly understood that an order given by Purchase to Supplier is made on the basis of the sample and goods delivered being of the same quality and other attributes.
13. Goods rejected due to inferior quality or workmanship will be returned to Supplier for cash or credit at Purchaser's option, with full reimbursement for transportation charges, labor, repacking, loading, etc. and such goods are not to be replaced, except upon written instructions from Purchaser.
14. Purchaser may deduct for damage or shortage in shipment.
15. Partial orders will not be accepted unless authorized by the Purchaser. This does not apply to Corporate and Store Supply purchases.
16. Freezable goods are shipped at Supplier's risk.
17. Purchaser will return, without Supplier approval, all miss-shipped goods at Supplier's expense.
18. Supplier warrants to Purchaser that the prices charged herein do not exceed those charged to any other purchaser similarly situated, excluding the Government, under the same circumstances, quantity and quality considered.
19. If no price or terms are mentioned in this order, goods will be billed at the same price and terms used in prior shipments made to Purchaser by Supplier or a lower price, if a lower price is offered. Furthermore, in the event Supplier issues a price reduction prior to shipment, the reduced price shall apply to the order.

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## II. MERCHANDISE INFORMATION & TECHNOLOGY

### **PURCHASE ORDER TERMS & CONDITIONS (con't)**

20. Should Supplier offer any deal of any nature on goods ordered herein prior to the last day of the calendar month following shipment of this order, Purchaser shall receive credit on such goods ordered in accordance with such deal.
21. Purchaser is not responsible for transportation charges on back orders if the original order is qualified as a prepaid shipment.
22. Purchaser's count will be accepted as final and conclusive on all shipments not accompanied by a packing list.
23. Cash discount terms must be clearly stated. The cash discount period extends from the invoice date through discount due date. Invoices must be received in a timely manner. The cash discount period reflected on invoices returned for correction will extend from the receipt of corrected invoice. The invoice due date will be calculated based on receipt of goods and based upon the most favorable of the invoice or purchase order terms. Supplier terms will be standard across entities. Checks will not be sent via overnight services.
24. Purchaser reserves the right, at its option, to take an anticipation discount for payment made in advance of the due date or dates indicated on the front of this order.
25. Purchaser, at its option, can off-set any of Supplier's indebtedness to Purchaser against any indebtedness owed to Supplier.
26. In the event of insolvency or bankruptcy of Supplier, Purchaser shall consider such insolvency or bankruptcy as a breach of this Agreement and may, at its option, terminate said Agreement without prejudice to its right to damages. Furthermore, Supplier cannot assign any or all of its obligations or rights under this Agreement without Purchaser's prior written approval.
27. Purchaser's waiver of any single breach of this Agreement by Supplier shall not constitute a waiver of any similar or other breach.
28. There shall not be charged to Purchaser any tax or increase therein imposed by any foreign or domestic authority on the price, commodity, sale, or any feature of this transaction, except such as may be included in or reflected in the price stated herein. Supplier shall be responsible for all such charges, if any.
29. Supplier shall report immediately any incorrect price and/or discount and/or noticeable discrepancies in quantities and sizes. For the purpose of this Agreement, "immediately" shall mean five (5) days from Supplier's becoming aware or receiving notice of any problem.
30. In the event Supplier accepts this order on a form bearing terms, conditions, definitions and/or instructions in conflict with those contained herein, all such conflicts shall be resolved in favor of such terms, conditions, definitions and instructions as herein contained.
31. Supplier agrees to procure and maintain at Supplier's sole cost and expense Comprehensive Public Liability Insurance, including products and contractual liability, with limits of liability of not less than \$5.0 million combined single limit per occurrence with an insurance company satisfactory to Rite

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## II. MERCHANDISE INFORMATION & TECHNOLOGY

### PURCHASE ORDER TERMS & CONDITIONS (con't)

Aid. Said policy of insurance shall name Rite Aid as a named insured. Such policy or duly executed certificate of insurance shall be delivered to Rite Aid within 15 days from date of Defense and Indemnity Agreement and renewals thereof shall be delivered at least 30 days prior to the expirations of the policy term.

32. In situations where Rite Aid's policy conflicts with a Supplier's policy, Rite Aid's policy should prevail, **unless separately negotiated and agreed in writing by senior Rite Aid officers**. Any unilateral Supplier policy, without the expressed written acceptance of a senior Rite Aid official, should not be honored. Rite Aid should ensure that its policies govern its transactions and that a Supplier does not impose its unfavorable terms on Rite Aid.
33. Priority Code Indicators designate the type of PO being sent, the indicator is located in the EDI transaction data **REF 01** at the Header Level. Refer to the following link for the Rite Aid EDI 850 mapping specifications: <http://www.riteaidediservices.com/B2B/index.html>. This link will also provide a list of all the Priority Indicators. Indicators ZZ (regular replenishment orders) and AD (regular replenishment orders containing AD items) should be treated as ship and cancel orders unless you have communicated with your replenishment buyer and have been set up as a back order **Supplier**. Backorders will only be accepted if you have prior communication with your replenishment buyer and the PO has been left open. No backorders will be accepted once the PO has been closed. All other indicators should be shipped complete and backorders will be accepted within a reasonable time frame. Please notify your replenishment buyer if you are unable to ship these orders complete and on time.

### REPLENISHMENT GUIDELINES

1. All Supplier inquiries pertaining to Supplier compliance should be directed to the appropriate Compliance Analyst or [Vendormgmt@riteaid.com](mailto:Vendormgmt@riteaid.com).
2. Product ordered on one Purchase Order is not to be received against a different Purchase Order. If the product is kept, a new Purchase Order should be created.
3. Suppliers should notify the Replenishment Buyer at least 48-hrs prior to shipping to request any Purchase Order modifications. Replenishment buyers have full discretion regarding order modifications. When the Supplier is on the Fill n Kill Program, requests for modifications will not be accepted.
4. All guidelines outlined in the Supplier Supply Chain Guide should be enforced including proper notice of case pack quantity changes, product substitutions and item discontinuations.
5. Free Goods Purchase Orders are to be compliant with all metrics in the Supplier Management Program.

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## **II. MERCHANDISE INFORMATION & TECHNOLOGY**

6. Rite Aid may, at the Replenishment Buyer's discretion, leave an item/order open to receive as a courtesy but authorization to accept a back order does not waive the compliance implications for the Supplier.
7. Any Purchase Orders that are cancelled by the Replenishment Buyer, regardless of the status, should be communicated to the Supplier.
8. The Supplier is responsible for maintaining accurate lead times by DC/CSC location. If the Supplier is unsure of the current lead times or wishes to revise the lead times, they should contact their Replenishment Buyer.

### **ELECTRONIC DATA INTERCHANGE / BUSINESS-TO BUSINESS**

Rite Aid is committed to supporting all features of our supply chain strategy and exchanging transactions electronically is a critical part of this strategy. Therefore, as a Rite Aid Supplier you are expected, in compliance with our Supply Chain Guide, to support the request to be enabled through EDI or some other approved solution to exchange the required transactions electronically.

### **INDUSTRY GUIDELINES**

All Rite Aid EDI requirements are within the accepted **VICS** (Voluntary Inter-Industry Communication Standards) guidelines. ANSI X.12 is the published industry guidelines regarding electronic transmission and is maintained by the Accredited Standards Committee (ASC X.12) of the American Standards Institute (ANSI). The X.12 standard convention provides various business transactions for use in a variety of businesses and industries.

#### **CURRENT TRANSACTIONS (Supply Chain Related)**

- Rite Aid can **receive** the following Supply Chain related EDI transactions:
  - 214 Transportation Carrier Shipment Status Message\*
  - 810 Invoice
  - 832 Price/Sales Catalog
  - 855 Purchase Order Acknowledgement (Import Supplier only) (only as required by Rite Aid)
  - 856 Advanced Ship Notice (ASN) / Manifest
  - 997 Functional Acknowledgment
- Rite Aid can **send** the following EDI transactions:
  - 820 Payment/Remittance
  - 830 Planning Schedule (DC) - Forecast
  - 850 Outbound Purchase Order
  - 852 Product Activity POS is available only in conjunction with participation in the RiteInsight Program of Rite Aid
  - 860 Purchase Order Change (only as required by Rite Aid)
  - 997 Functional Acknowledgment

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## II. MERCHANDISE INFORMATION & TECHNOLOGY

\* In order to improve upon the accuracy of the 214 Transportation Carrier Shipment Status Messages, Rite Aid requests that Supplier's provide Rite Aid's preferred LTL carriers the **204 EDI Shipment**

**Information transaction.** This transaction provides the detailed Bill of Lading Information pertinent to the shipment.

**EDI/B2B - Trade Services Website:** (available through Supplier Portal)

<http://www.riteaidediservices.com>

**Please refer to the EDI/B2B Trade Services website for all EDI policies, procedures and guidelines. Also, if you are not EDI capable, please refer to the EDI Supplier Enablement and Information section.**

### **EDI / ELECTRONIC COMMERCE**

#### **Department Contact Information**

- Mailing Address:  
Rite Aid  
EDI / B2B Department  
P.O. Box 3165  
Harrisburg, PA 17105
- Physical Address:  
Rite Aid  
EDI / B2B Department  
30 Hunter Lane  
Camp Hill, PA 17011

#### **General Information / Support**

- General EDI Help Line: (717) 731-3815
- General EDI Email: [edi@riteaid.com](mailto:edi@riteaid.com)
- EDI Fax-On-Demand: (888) 796-3686
- EDI/B2B Website: Available through Supplier Portal or direct link of:  
<http://www.riteaidediservices.com>
- Supplier Portal: [www.riteaid.com](http://www.riteaid.com) (**Our Company** tab and then **Supplier Portal** link)

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## Welcome / Rite Aid EDI /B2B

Rite Aid requires all domestic and international Suppliers to support the electronic exchange of transactions in accordance with EDI standards and specifications- as required by Rite Aid Supplier Compliance Guide.

The purpose of this communication is to acquaint you with the Rite Aid EDI/Business-to-Business Program and the compliance requirements as it pertains to Suppliers supplying our Distribution Centers and/or Stores.

Rite Aid EDI policies are covered in the Supplier Compliance Guide and The Supply Policy Agreement for Generic Pharmaceutical Suppliers and specify that all Suppliers accepting Distribution Center (DC) Purchase Orders are required, at minimum, to support the electronic exchange of purchase orders, advance ship notices and invoice transactions in accordance with EDI policy and procedures. Other transactions are available and exchanged in certain instances as Rite Aid deems appropriate.

Direct-store-delivery Suppliers are required to support invoicing and in certain instances purchase orders at minimum. Again, other transactions are available and exchanged in certain instances as Rite Aid deems appropriate.

Electronic Data Interchange (EDI) provides the standard-ANSI X12- by which Rite Aid conducts Business-to-Business electronic commerce. Our Supplier Portal has been designed to provide our Suppliers and trading partners with the information and technical documentation that is required to successfully participate in the EDI program.

EDI has proven to be the most efficient way of conducting business with our Supplier community. This system of exchanging business transactions not only improves productivity but also benefits in lower transaction expenses for both of us.

Rite Aid is committed to the continuous improvement of all its business processes via Electronic Data Interchange (EDI). EDI is described as the exchange of structured data according to agreed message standards between computer systems, by electronic means. Structured data equates to an unambiguous method of presenting the data content of a document. The method of ensuring the correct interpretation of the information by the computer system is defined by the standard. Electronic exchange of information in the context of pure EDI effectively means without human intervention. EDI messages are intended for and are therefore structured for automatic processing. EDI provides a flexible and industry-recognized standard for transmitting an extensive selection of electronic commerce transactions.

In addition to 'traditional EDI', Rite Aid supports many commercially available solutions for enablement to support our trading partners in the electronic exchange – which has been in place for many years and utilized by hundreds of trading partners (Refer to section contained herein EDI/B2B Trading Partner Enablement Solutions). Each trading partner must evaluate the costs and benefits of the solution that best satisfies their needs. Rite Aid does not assume any costs for Supplier enablement solutions. Below is a brief summary of solutions available for trading partners to consider:

- Web-based XML forms that require only Internet access to utilized and exchange transactions. This is a simple point-and-click technology. Some of these offer backend accounting package interfaces, ability to upload larger files to forms, and alerting services around the transactions.
- Excel based solution enabling file exchanges.
- Desktop software to enable the exchange of EDI transactions.

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- Outsourced/Service bureau which can take any file format the trading partner desires or requires and interface with Rite Aid requirements. Supports any-to-any format exchange.
- OCR /Fax-to-EDI services: Allows paper based documents to be converted to an electronic transaction.
- Email-commerce: A trading partner push solution that enables the exchange of transactions through secured Email where file formats such as flat file, XML of others are supported.
- DC Product Activity (EDI 852) web based: An intuitive friendly format that has developed a standard view of the data for ease of use that is easily accessible through web-based tool with alert modeling capabilities.
- Rite Aid DC forecast available through Rite Aid Portal as well as EDI (830).

Finally, the *EDI Trade Service link* also has more information on enablement, consulting and support services.

As stated, the Rite Aid Supplier Compliance Guide requires all Suppliers to support the exchange of required transactions electronically and within standards acceptable and as support by Rite Aid. Rite Aid processes millions of EDI transactions annually and has relationships with thousands of trading partners that utilize various software systems, platforms and have numerous internal constraints. Trading partners classifications are as follows:

- Direct manufacturers / suppliers
- Wholesalers
- Import Agents / Freight Forwarder
- Indirect suppliers
- Specialty Source Suppliers
- Transportation Carriers
- Third Party Logistics Services
- EDI Third Party Services
- Others

Because of these volumes and numerous relationships supported - proprietary files or any customization is not supported. It will be the responsibility of the trading partner to accommodate and support Rite Aid standards.

Rite Aid communicates and exchanges EDI transactions on an hourly basis 24x7 primarily utilizing our EDI Network of GX.S. The GX.S network supports a communication exchange gateway service for supporting AS2 and FTP protocols

If there are any questions please reference the information below:

- Rite Aid EDI/B2B Department contact information:
  - Helpline: 717-731-3815
  - Fax number: 717-975-8623
  - Fax-on-demand document service: 888-796-3686
  - Email: [Edi@riteaid.com](mailto:Edi@riteaid.com)
  - Mailing address: Rite Aid, 30 Hunter Lane, Camp Hill, PA 17105

Thank you.

Sincerely,  
Rite Aid  
EDI / Business-to-Business Department  
Email [edi@riteaid.com](mailto:edi@riteaid.com)  
Phone 717- 731-3815  
<http://www.riteaidediservices.com/>

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### EDI DOCUMENT OF UNDERSTANDING

This section applies to all current and future transactions, including ANSI ASC X12 004010 as well as other future transactions and version upgrades. All Network Identifiers and Qualifiers for Rite Aid and Suppliers have been previously exchanged in the Supplier Profile document Refer to Rite Aid EDI web site (<http://www.riteaidediservices.com/index.html>).

**Rite Aid EDI Specifications/Guideline.** Refers to the Mapping Documents.

**Testing Period.** The receiving party will review the EDI Document(s) during the testing period. For inbound EDI Documents, Rite Aid's EDI Department should receive sufficient test data from Suppliers to ensure compliance with Rite Aid's requirements. Further, Rite Aid will confirm that the EDI Document may replace paper documents currently provided by Supplier. For outbound EDI Documents, Supplier will receive sufficient data from Rite Aid to ensure compliance with business requirements. Supplier agrees to receive the EDI Document(s) instead of paper documents. Testing is to be completed within 30 days of initial non-EDI Purchase Order.

**Version Upgrades.** For EDI Documents that Rite Aid transmits, Rite Aid will notify Supplier of any ANSI version upgrades prior to any changes. Rite Aid expects the same notification from Supplier for EDI Documents that Rite Aid receives.

**System Operations.** Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive the EDI Document(s).

**Verification.** Upon proper receipt of any EDI Document, the receiving party shall promptly transmit a functional acknowledgement in return. A functional acknowledgement shall constitute conclusive evidence an EDI Document has been properly received.

**Functional Acknowledgements.** For EDI Documents that Rite Aid transmits to Supplier, Rite Aid expects to receive a functional acknowledgement (ASC X12 997) within **twenty-four hours** of Rite Aid's transmission. For EDI Documents that Rite Aid receives from Supplier, Rite Aid will transmit a functional acknowledgement to Supplier within twenty-four hours of receipt.

**Acknowledgement Monitoring.** Rite Aid will monitor the performance of Supplier to ensure compliance with the above. Should any issues arise, Rite Aid expects prompt resolution from Supplier.

**Garbled Transmissions.** If any transmittal EDI Document is received in an unintelligible or garbled form, the receiving party shall promptly notify the originating party.

**Carbon Copy.** For EDI Documents that Rite Aid transmits, Supplier may authorize their Value-Added-Network to provide duplicate documents to other organizations such as brokers.

**Transmission Times.** Rite Aid will access GXS Network mailboxes on an hourly basis.

**Security Procedures.** Each party shall properly use those security procedures, which are reasonably sufficient to ensure that all Documents are authorized and to protect its business records and data from improper address.



# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### EDI DOCUMENT OF UNDERSTANDING (con't)

**Changes to Data.** Rite Aid will not correct errors of any type received from Supplier. Rite Aid will notify Supplier of receipt of the transaction data in error and will expect Supplier to correct and re-transmit transaction data in a timely manner.

**Duplicate Data.** Rite Aid will use unique interchange group and transaction control numbers on outbound transmissions to Supplier and expects Supplier to provide unique numbers on transmissions to Rite Aid. Unique numbers are necessary to ensure detection of duplicate data.

Rite Aid will monitor Supplier data for duplicates and will notify Supplier immediately upon detection. Rite Aid expects the Supplier to detect duplicate transmissions from Rite Aid and to notify immediately.

**Public Interconnects.** If your company uses a EDI Network other than **GXS**, then Rite Aid will establish a 'public network interconnection' between our VAN and yours. Rite Aid expects the Supplier to ensure that its VAN uses appropriate controls and monitoring measures in order to achieve timely exchange of inbound and outbound transactions and Rite Aid agrees to do the same. We expect the Supplier to resolve any problems or issues related to interconnects in a prompt manner.

**Data Sharing Policy.** Confidentiality: All communications shall be governed by anti-trust regulations, as well as all other applicable federal and state laws. Both parties commit here to absolute confidentiality in the use of information shared. In the event the Supplier gains access to any information and/or communication other than that specifically contemplated under this agreement, the Supplier shall immediately notify Rite Aid and cooperate to rectify the unauthorized access. In the event the Supplier does not immediately notify Rite Aid and/or fails to cooperate, Rite Aid shall, at its own discretion, immediately terminate this agreement and, if necessary, bring suit in federal or state court to preclude further dissemination of unauthorized communications.

**Rite Aid Documentation.** Supplier acknowledges the receipt of Rite Aid EDI/B2B Implementation Guidelines and compliance requirements as specified within this Supplier Supply Chain Guide as it relates to EDI.

**Data Content.** Supplier is responsible for transmitting accurate data in compliance with transaction mapping specifications.

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### RITE AID

#### NEW SUPPLIER EDI/B2B TRADING PARTNER PROFILE

(To be completed by new suppliers to become EDI enabled)

#### COMPANY INFORMATION:

Rite Aid Assigned 5 Digit Supplier #: \_\_\_\_\_ Date: \_\_\_\_\_

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Corporate Website: \_\_\_\_\_

#### EDI / B2B CONTACT:

Name: \_\_\_\_\_

Title: \_\_\_\_\_ Email: \_\_\_\_\_

Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_ Email: \_\_\_\_\_

Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_

#### BUSINESS CONTACT:

Name: \_\_\_\_\_

Title: \_\_\_\_\_ Email: \_\_\_\_\_

Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_

#### METHOD FOR EXCHANGING TRANSACTIONS ELECTRONICALLY:

EDI  Direct with Rite Aid  Third Party Solution Provider (Refer to EDI/B2B Trading Partner Enablement Solutions)

Name of Solution Provider

#### EDI - INFORMATION REQUIRED FOR TESTING:

ISA Qualifier: \_\_\_\_\_

ISA Sender/Receiver ID: \_\_\_\_\_

GS Sender/Receiver ID: \_\_\_\_\_

Value Added Network(s): \_\_\_\_\_

Inbound Transmission Times: \_\_\_\_\_

Outbound Transmission Times: \_\_\_\_\_

Versions Supported: \_\_\_\_\_

#### TO BEGIN EDI TESTING PLEASE CONTACT:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

If you require enablement solutions to exchange the above transactions please visit our EDI/B2B Services web site at <http://www.riteaidediservices.com/> for additional information. Also, go to our Supplier Portal: Go to [www.RiteAid.com](http://www.RiteAid.com) then select Our Company tab at top, then go to the section entitled Supplier Portal.

- EDI: Go to the Supplier Portal and select blue bar entitled EDI/B2B Services
- EDI Email: [edi@riteaid.com](mailto:edi@riteaid.com). EDI Helpdesk: 717-731-3815

In accordance with Rite Aid Supplier Compliance Guide we will support the exchange of the required EDI transaction of Purchase Order, Invoice and Advance Ship Notice for merchandise delivered to Rite Aid Distribution Centers.

Company Name: \_\_\_\_\_

Representative Name: \_\_\_\_\_

Phone No: \_\_\_\_\_ Email: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### Supplier Comments

**Please return this Trading Partner Profile To**  
FAX (717) 975-8623 OR EMAIL TO [EDI@RITEAID.COM](mailto:EDI@RITEAID.COM)

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY



### EDI/B2B Trading Partner Enablement Solutions

In order to facilitate exchanging transactions with Rite Aid, we developed relationships with leading commercial enablement solution providers. Please contact these companies to learn more about their EDI/B2B solutions.

These companies provide a variety of solutions and services to meet the individual needs of the Supplier and their business programs. **(Refer to EDI Supplier Directory by Vantage Point for additional listings)**

### WEB BASED/EDI SERVICE CENTERS /SOFTWARE SOLUTIONS/FAX EDI/FILE TRANSFER AND SAAS PROVIDERS

COMPANY	TELEPHONE	WEBSITE
ICC/Enable Trading (Easylink Services)	800-828-3932	www.icc.net/riteaid
SPS Commerce	888-739-3232	www.spscommerce.com
(GXS)	800-334-2255	www.gxs.com
Dicentral	281-480-1121	www.dicentral.com
Edict Systems /Grocery EC	800-443-3428	www.groceryec.com
Direct EDI	858-751-2626	www.directedi.com
EZCom Software, Inc	877-765-3564 opt. 1	www.ezcomsoftware.com
Inovis	877-4INOVIS Opt4	www.Inovis.com
ACT Data	800-228-3282	www.actdata.com
ADX	888-526-1212	www.adx.com
Sterling Commerce	800-299-4031	www.sterlingcommerce.com
DataTrans	800-469-0877	www.datatrans-inc.com
B2B Gateway/Shannon Systems	508-894-2150	www.b2bgateway.net
True Commerce	888-818-9160	www.truecommerce.com
InfoAccess	216-525-0260	www.infoaccess.net
Digital Movers	888-896-7703	www.dmovers.com
TIE Commerce	800-624-6354	www.tiecommerce.com
Innovis	877-466-6847	www.innovis.com
1 EDI Source	877-334-1334	www.1edisource.com
ChanneLinx, Inc.	800-701-8053	www.webdi.com
123EDI	866-255-5334	www.123edi.com
Edisoft	416-299-0030	www.edisoft.com
CovalentWorks	800-496-3380	www.covalentwrks.com
Fountainhead Communications	877-383-6872	www.fciwebnet.com
Message Express	416-299-0030	www.msgxp.com
VSync	614-261-0058	www.vsync.com
Fintech	800-572-0854	www.fintech.net
REMEDII	614-436-4040	www.remedi.com
EDI Service Bureau, Inc.	858-486-7409	www.edi-service.com

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### DSD REPLENISHMENT PROGRAMS

**Suppliers proposing to replenish stores under the following programs – please complete and return form.**

(Please indicate):

- Supplier Managed Inventory (VMI)
- Scan-Based Trading (SBT)
- POS data-sharing (POS)

Please respond to the following questions:

1. How many years of experience do you have replenishing under the above designated program?  
\_\_\_\_\_
2. What system software will be utilized to manage replenishment (describe)?  
\_\_\_\_\_
3. Will this be supported with in-house staff or outside resources?  
\_\_\_\_\_
4. Does your system require any proprietary file interfaces from Retailer or is EDI file exchange supported?  
\_\_\_\_\_
5. Please indicate the business and technical contacts supporting system.  
Business: Name \_\_\_\_\_ Phone: \_\_\_\_\_  
Technical: Name: \_\_\_\_\_ Phone: \_\_\_\_\_
6. What is the normal lead-time in weeks to set up and configure all systems and support for such a program?  
\_\_\_\_\_
7. Is there a backup and contingency plan in the event your replenishment system encounters some outage or downtime?  
\_\_\_\_\_

Please forward all details and information regarding the components and operation of your DSD replenishment program for review and evaluation along with this form to:

Rite Aid  
EDI/B2B Department  
30 Hunter Lane  
Camp Hill, PA 17011  
Fax: 717-975-8623  
Email: edi@riteaid.com

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

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### EDI SUPPLIER SCORECARD RESEARCH REQUESTS

Please keep this information for future reference when Supplier Scorecard issues are requested to be researched by the Rite Aid EDI/EC Department. Supplier Scorecard issues that require research would include late or missing functional acknowledgement (997) of Purchase Orders, late or missing ASN (856), and invoice (810) or purchase order (850) non-compliance.

Supplier Scorecard research requests should be emailed to the appropriate Compliance Analyst or to [Vendormgmt@riteaid.com](mailto:Vendormgmt@riteaid.com). General EDI questions can be sent to [edi@riteaid.com](mailto:edi@riteaid.com) or call the EDI Help Desk (717) 731-3815.

You are encouraged to submit your research request in a timely manner. Researching stale dated transactions (beyond 30 days) will take more time to research. Due to the nature of the data being researched, your request may take more than 48 hours to complete.

In order to expedite research requests of Supplier Scorecard issues, the EDI/B2B Department requires that the requestor's contact information (name, phone number and email address, company name and Rite Aid Supplier) number be provided, along with the details of the request (Purchase Order number, invoice number, ASN number). Other helpful information would be your company ISA sender / receiver ID, ISA control number and the send date and time of the specific document.

Thank you for your assistance, and please visit our EDI website home page under F.A.Q./Support/Contacts and "Frequently Asked Questions" on EDI Supplier Scorecard items.

Rite Aid EDI/B2B Department  
Help Desk: (717) 731-3815  
Email: [edi@riteaid.com](mailto:edi@riteaid.com)  
EDI Website: [www.RiteAidEDIServices.com](http://www.RiteAidEDIServices.com)  
Fax-On-Demand: (888) 796-3686

[EDI/B2B Quick Reference Guide\(Available on Supplier Portal under EDI/B2B Services section\)](#)

# Supplier Compliance Guide

Rite Aid is currently exchanging the following supply chain related transactions electronically. Please visit the EDI/B2B Services section of the Rite Aid Supplier Portal for more information.

## Business Transactions (EDI/Web-based)

- Purchase Order
- Purchase Order Change
- Purchase Order Acknowledgement
- Invoice
- Advance Ship Notice
- DC Product Activity Data
- DC Replenishment Forecast
- Payment order/Remittance Advice
- Application Control Total
- Transportation/Carrier and Shipment Status
- Price/Sales Catalog
- Air Freight Details and Invoice
- Functional Acknowledgement

## Vendor Management/Program

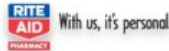
The Scorecard is a cross-functional mechanism that evaluates various performance metrics including EDI. Please refer to the Rite Aid Vendor Supply Chain Guide on the Supplier Portal for compliance requirements and important information on conducting business with Rite Aid.

## How to Do Business with Rite Aid Training Series

Visit this section within the Supplier Portal to get acquainted with a series of educational courses designed to support Rite Aid's supply chain. This series of courses will help you to understand how to do business with us.

## Support/Contact Information:

- **EDI/B2B Help Line**  
(717) 731-3815
- **EDI/B2B Dept. Email**  
edi@riteaid.com
- **EDI/B2B Fax**  
(717) 975-8623
- **EDI/B2B Fax-On-Demand Service**  
(888) 796-3686
- **EDI/B2B Website**  
Go to EDI/B2B Services
- **How to Do Business with Rite Aid Training Series**  
Select 'Current Suppliers' in Supplier Portal
- **Vendor Management Inquiries**  
vendormgmt@riteaid.com
- **Supplier Portal Password Issues**  
See 'New Supplier Portal Password System' document
- **Corporate Transportation Department**  
(717) 761-2633 (Ext. 6554, 6555, 8247, 8507, 8693)
- **Other Portal Support Contacts**  
Select 'My Home' (left side Supplier Portal)



**Mailing Address:** Rite Aid Corporate  
PO Box 3165  
Harrisburg, PA 17105

**Physical Address:** Rite Aid Corporate  
30 Hunter Lane  
Camp Hill, PA 17011



## Business-to-Business/EDI Program

### RITE AID SUPPLIER PORTAL



### QUICK REFERENCE GUIDE

# Supplier Compliance Guide

**The Rite Aid Supplier Portal** provides a single point of entry for our valued trading partners to access various informational content as well as applications around Rite Aid supply chain. The Supplier Portal collectively delivers information using a variety of internal and external resources.

**Visit our Rite Aid Supplier Portal**  
<http://www.riteaid.com>  
Select the "Our Company" tab  
Then "Supplier Portal"

To assist in navigating within the Supplier Portal, the area in the center of the page (headings titled by blue bars) is available for general access.

- Welcome
- Latest Rite Aid News
- How to Become a Rite Aid Supplier
- Current Suppliers
- Category Managers
- Supplier Newsletter
- Supply Chain Logistics and Transportation
- Supply Chain Replenishment and Collaboration
- Vendor Management
- EDI/B2B Services
- Source Tagging
- Calendar of Events
- Community Outreach
- Rite Aid Financials

Certain areas on the left side of the page are applications not open to general access and require an ID and password issued by Rite Aid.

- 'My Applications': applications under this heading are Rite Aid internal applications.

- 'My Home': Under this heading is Portal support contacts and Rite Aid security Policy
- Hosted Applications: EDI/B2B, Event Registration, RITEInsight, Replenishment Collaboration, Sourcing Online Auctions.

Various informational documents are also available from our Fax-On-Demand service 888-796-3686.

## Trade Electronically with Rite Aid

Rite Aid requires all domestic and international suppliers support the electronic exchange of transactions in accordance with standards and specifications as noted in the *Rite Aid Vendor Supply Chain Guide*.

Rite Aid policies are covered in the *Vendor Supply Chain Guide* and *The Supply Policy Agreement for Generic Pharmaceutical Vendors*. The policies specify that all vendors accepting distribution center (DC) purchase orders are required, at minimum, to support the electronic exchange of purchase orders, advance ship notices and invoice transactions in accordance with EDI policy and procedure. Other transactions are available and exchanged in certain instances as Rite Aid deems appropriate.

Direct-store-delivery vendors are required to support EDI invoicing and in certain instances purchase orders at a minimum.

In addition to 'traditional EDI', Rite Aid offers and supports many commercially available solutions for enablement to support our trading partners in the electronic exchange. Each trading partner must evaluate the costs and benefits of the solution that best satisfies their business need.



## How to Get Started:

- Obtain Rite Aid's EDI profile, transaction specifications and Trading Partner Profile from the Supplier Portal or through the Fax-On-Demand Service.
- Complete the EDI Trading Partner Profile and return it to Rite Aid's EDI/B2B Department.
- Contact the Rite Aid EDI/B2B Department to set up a test schedule for the required EDI transactions.
- All trading partners are expected to be in compliance as noted within the *Vendor Supply Chain Guide*.

The EDI/B2B Department should be contacted for enablement assistance, clarification of transactions, documents, mapping requirements, compliance errors and missing or duplicate transmissions



# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### SOURCE TAGGING

#### Program Overview

Rite Aid has installed electronic article surveillance (EAS) devices in all stores. We have selected radio frequency (RF) with Checkpoint Systems to implement this strategy. All products viewed by Rite Aid as 'high theft' should be EAS source-tagged by the Supplier.

#### Program Benefits

- Protected product flows directly to sales floor
- No external tags to deface product
- Product is tagged in consistent location
- Internal tag application provides a 'halo' effect protection of all merchandise
- EAS deactivation occurs with bar code price scan
- Reduced stock outs = Increased sales

#### Source Tagging Guidelines

- All products viewed as high-theft must be source-tagged
- All new products must be examined for source-tag potential
- Tags must be concealed in the primary package
- Tags used for Rite Aid must be Checkpoint manufactured tags  
(For a list of your products in our high shrink categories that must be source tagged, contact Rite Aid's Source Tagging Coordinator at (717) 975-5719.)

#### Steps To Tagging

- Step 1:** Contact Rite Aid's Source Tagging Coordinator or your Rite Aid Category Manager to discuss new product launches. They will also identify current items we consider as high-shrink and must be source tagged.
- Step 2:** Contact Checkpoint, our EAS Supplier. They will provide all necessary information and support to begin an effective source-tagging program with Rite Aid. Call (800) 257-5540 ext. 2322 to receive a Supplier's Guide. A Checkpoint Systems representative will answer any questions and assist your company with this program.
- Step 3:** After contact, Checkpoint may need samples of products for evaluation. Checkpoint engineers will analyze each item and provide a written evaluation regarding their recommendations for each product submitted.
- Step 4:** Finally, contact Rite Aid's EAS Coordinator to discuss the implementation schedule and any outstanding issues regarding source tagging. Together, we will select program start dates for your merchandise, beginning a stronger, more rewarding partnership.

#### CONTACT INFORMATION

Rite Aid  
Source Tagging Coordinator  
30-A Hunter Lane  
Camp Hill, PA 17011  
Tel: (717) 975-5719  
Fax: (717) 975-5925

Checkpoint Systems Inc.  
Source Tagging Evaluation Center  
101 Wolf Drive  
Thororfare, NJ 08086  
Tel: (800) 257-5540 ext. 2322  
Fax: (856) 384-1480

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### UNSALEABLE MERCHANDISE POLICY (FRONT END PRODUCT ONLY)

A third-party processor currently handles Rite Aid's unsaleable merchandise. During this process, your selected method of disposition (see Disposition Options) will be applied to all returned items.

The product reclamation center process is recognized to be the shared responsibility of manufacturers and distributors. Assigned cost components recognize the need for universally credible, equitable, non-discriminating treatment of all manufacturers and retailers. Items processed through the reclamation centers are allocated between all parties involved in the movement of goods according to a "generally accepted presumption for unsaleable responsibility" (GAPUR) standard. Responsibility is determined by the categories set forth below unless direct evidence suggests an alternative assumption of responsibility:

#### **Manufacturer's Responsibility**

- Unlabeled or mislabeled product
- Improperly sealed product
- Over/short weight or partially filled product
- Broken glass
- Crushed, dented or collapsed product
- Swollen cans
- Manufacturer withdrawal
- Moldy package
- Rusty cans
- Leaking containers
- Soiled, stained, sticky, etc.
- Expired product as determined by expiration dates, if applicable

#### **Disposition Options**

- **Donate** – To add useful life to the product being reclaimed.
- **Destroy** – Must have MSDS sheet or ingredient list. *Applicable to non-hazardous items only.*
- **Hold for Review** – For those manufacturers who wish to review their product before reviewing the claim. The review items will be held for 21 days. During that time, the manufacturer, or its designated agent, may make an appointment to review the product. After the items are reviewed, the manufacturer's disposition policy is applied. Items not reviewed after 21 days will be handled at Rite Aid's discretion.
- **Return to Supplier** - Product will be packaged and returned to the Supplier. Shipping paperwork is prepared and included in the return shipments to the manufacturer. An Open RA is required for this option.

#### **Handling & Added Charges**

- See Rite Aid's RETURNS AGREEMENT form.

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### UNSALEABLE MERCHANDISE POLICY (FRONT END PRODUCT ONLY) (con't)

#### Minimum / Maximum Rates

- Minimum: 100% of list price
- Maximum: 130% of list price
- **Pre-damage direct product costs (DPC):** Handling and storage costs which occur before damage is identified, as an item moves through retail distribution. They include costs incurred at the warehouse, during transportation to the store, and at the store itself. Store costs for retail shelf space, checkout, and bagging are excluded from this analysis.
- **Post-damage handling costs:** Costs which occur after the item has been identified in the store and before it arrives at the reclamation center.
- **Reclamation Center Processing Costs:** Handling and storage costs which occur as an item is processed through a reclamation center. This analysis contains separate calculations for the major variables which affect prepackage costs, including reclamation center gross efficiencies, type of product and processing chute.

#### Reimbursement

- Suppliers will be set up for a “deduction from invoice” and have the deduction taken from their next Supplier check.

### RECALLS

All recall information is due at the time the planogram change is made and accepted by the Category Manager. All freight charges for returned product will be billed to the Supplier. The following information is required to process recalls:

- **Product Disposition:** Product handling method chosen by Supplier.
- **Address and Contact Phone Number to Return Merchandise:** Supplier specific shipping destination information.
- **Return Authorization Number:** Issued by the Supplier.
- **Description:** Brief product identification.

See Rite Aid's Recall Disposition Form for further details.

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### RITE AID RETURNS AGREEMENT

**Please note: A Separate Returns Agreement must be filled out for each Supplier number.**

Company Name:	Phone #:	
Contact Name:	Fax #:	
Supplier Number:	E-Mail Address:	
Invoice Address:	Shipping Address:	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
Category Manager: _____		
Associate Category Manager: _____		

**TERMS OF AGREEMENT:**

**A. Unsaleable Merchandise**

- All Suppliers will be charged the following processing fees for damaged, defective, outdated, and discontinued goods. These fees are based on the findings from the Joint Industry Task Force Study (JIR):

DPC (Direct Product Cost)	\$0.085
Post Damage	\$0.111
Ops through Scan:	<u>\$0.101</u>
	\$0.297

- All Suppliers must determine a method of disposition for their unsaleable products. Based on the CODE/DESCRIPTIONS listed below, the Supplier representative will check (X) the method his/her company has authorized Rite Aid to use. The additional charge, shown in ( ) at the end of the description, will be added to the charges above.

CODE	DESCRIPTION (JIR COST)
COPT _____	Scan and disposition is left up to the discretion of Rite Aid (\$0.020)*
DONA _____	Scan and donate (\$0.030)
ROPT _____	Scan, Hold, Supplier Review / Center Option (\$0.127)
RDON _____	Scan, Hold, Supplier Review, Donate (\$0.137)
RTAK _____	Scan, Hold, Supplier Review, Take (\$0.174)
RSHP _____	Scan, Hold, Supplier Review, Ship (\$0.186)

*Note: All Supplier Review merchandise will be held for 21 days after invoice date for review. At that time if not reviewed or if no decision has been provided by the manufacturer, the product will be disposed at the discretion of Rite Aid.*

SHBK \_\_\_\_\_ Scan and Ship Back to Supplier (\$0.180)

**OPEN RA # REQUIRED WITH THIS OPTION**

RA # \_\_\_\_\_

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

### RITE AID RETURNS AGREEMENT (con't)

3. All products will be billed at Rite Aid's list cost + JIR billing factors (DPC, Post Damage Handling, Receiving Charges, Disposition Charges) unless otherwise agreed to in writing by Rite Aid. Supplier billing is not to exceed 130% of Rite Aid's list cost.
4. All changes to policies must be in writing to Rite Aid. Approved policy changes will take effect within 30 days following their approval.
5. All Suppliers will agree to forward a copy of their current national policy regarding reclamation to be reviewed by Rite Aid. This will be sent to:  
Rite Aid  
30 Hunter Lane  
Camp Hill, PA 17011  
Attention: Manager, Front End Returns

**B. Recall Merchandise**

**PLEASE NOTE: The dispositions on page 1 DO NOT apply to recalls. A separate agreement MUST be completed for all recalls at the time the recall is activated. This allows a Supplier to have a separate disposition on recalls than on damaged and outdated returns.**

The signatures below by the appropriate Category Manager of Rite Aid and the Supplier representative of said company denote their understanding and acceptance of the above agreement.

_____ Signature (Supplier Representative)	_____ Date	_____ Signature (Authorized by Rite Aid)	_____ Date
_____ Company		_____ Rite Aid Hdqtrs. Corp.	

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

Recall Disposition Form		1 of 2																																				
Control Number _____	Recall Number(s) _____	Projected Date _____ Actual Date _____																																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Category Manager</td> <td colspan="2"></td> </tr> <tr> <td colspan="2">Supplier #</td> <td colspan="2"></td> </tr> <tr> <td colspan="2">Supplier Name</td> <td colspan="2"></td> </tr> <tr> <td colspan="2">Sales Contact</td> <td colspan="2"></td> </tr> <tr> <td>Title</td> <td>Phone #</td> <td colspan="2">Email</td> </tr> <tr> <td colspan="2">Reason For Return</td> <td colspan="2">Item Status</td> </tr> <tr> <td>Promotional Planogram Items</td> <td>Misship</td> <td>Is item DWO'd?</td> <td>Y N</td> </tr> <tr> <td>Planogram Discontinued</td> <td>Overstock</td> <td>Is item Bill Blocked?</td> <td>Y N</td> </tr> <tr> <td>Seasonal Planogram Items</td> <td>Other _____</td> <td>Is PO Cancelled</td> <td>Y N</td> </tr> </table>			Category Manager				Supplier #				Supplier Name				Sales Contact				Title	Phone #	Email		Reason For Return		Item Status		Promotional Planogram Items	Misship	Is item DWO'd?	Y N	Planogram Discontinued	Overstock	Is item Bill Blocked?	Y N	Seasonal Planogram Items	Other _____	Is PO Cancelled	Y N
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Is warehouse merchandise returned? 6% Handling plus Shipping charge Full & Split Case _____ Full Only _____ Split Case Salvage _____																																						
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<p><b>Buyer and Supplier agree as follows:</b></p> <ol style="list-style-type: none"> <li>Supplier is responsible for all return shipping costs.</li> <li>Items returned are not required to be substantially in their original condition;</li> <li>Supplier shall accept items returns with all faults(including but not limited to, the presence of any price or other stickers);</li> </ol>																																						
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Buyer Information

Product Disp.

Supplier

# Supplier Compliance Guide

## II. MERCHANDISE INFORMATION & TECHNOLOGY

**Recall Disposition Form**

Page 2 of 2

Stock code	UPC	Description	Cost	"X" one or both	
				DC	Store

<b>Supplier Contact</b> _____	_____	_____	_____
	<b>Printed Name</b>	<b>Signature</b>	<b>Date</b>

**If this is an inventory reduction, please list EAST or WEST,  
individual DC's or "X" indicating all DC's.**

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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As business partners driving mutually beneficial supply chain efficiencies, this section contains detailed instructions for the routing, consolidation, marking, and documentation of merchandise shipments to Rite Aid Distribution Centers. Rite Aid is committed to working with our Suppliers to improve product packaging and handling, as well as increasing automation efforts. (see <http://www.riteaidediservices.com/index.html> for details).

This Shipment and Routing Guide supersedes and cancels all previous instructions / guides issued.

It is the Supplier's responsibility to ensure that they have the most current edition of the Rite Aid Supplier Compliance Guide and Shipment and Routing Guide, whether in paper or electronic form, and that the appropriate people at each of their shipping locations receive the information contained within the Guide.

Acceptance of a Rite Aid Purchase Order is an agreement to the conditions as listed in the current Rite Aid Supplier Compliance Guide and Shipment and Routing Guide, including all associated Supplier Compliance metrics and infractions.

Rite Aid freight controlled Purchase Orders / shipments refers to those shipments where Rite Aid is responsible for routing the shipment and the associated freight charges. In these instances, the ONLY Supplier Compliance infraction for which the Supplier is not responsible is On-Time Appointment (metric 1019). The Supplier is responsible for all remaining Supplier Compliance metrics and infractions.

Failure to follow instructions contained within the Rite Aid Shipment and Routing Guide will result in a minimum chargeback of \$100 per shipment and any and all additional charges incurred due to the shipper's failure to follow the Shipment and Routing Guide. Requests for exceptions must be written and received prior to the shipment being placed. Changes and/or deviations from the Rite Aid Shipment and Routing Guide may only be approved by the Rite Aid Transportation Department and must be in writing.

Purchase Orders are to be shipped complete, in one shipment, and to arrive within the prescribed delivery window as stated on the Purchase Order. Penalties may be imposed on late shipments. Any subsequent shipments for both prepaid and Rite Aid freight controlled Purchase Orders are expected to be shipped freight prepaid, F.O.B. destination at the Supplier's expense.

It is expected that all Suppliers comply with the requirements set forth. Non-compliance results in expense offsets as outlined in Section VI of this document.

### **APPOINTMENT SCHEDULING**

- Appointments are required for all Distribution Centers and must be made by the carrier at least seventy-two (72) hours prior to delivery and by 11:00 am local time at the respective Distribution Center. All appointments are driver-assisted live unloads. The exception is for shipments arriving via a Rite Aid preferred LTL carrier, where appointments are not required and driver-assist does not apply. A list of Distribution Centers (addresses and phone numbers) may be found further in this section. Appointments **must be confirmed** by the respective Rite Aid Distribution Center.
- For Shipments via Rite Aid's preferred LTL carriers (see list), no appointment is required.
- Shipments consisting of multiple trailers require a separate appointment for each trailer.
- All Rite Aid Distribution Centers have fast freight guidelines. If a non-preferred LTL carrier shipment meets the requirements of the specific Distribution Center's fast freight guidelines, an



# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### APPOINTMENT SCHEDULING (con't)

appointment may not be required. You must contact the Distribution Center(s) for specifics relating to their fast freight guidelines.

- Appointment compliance by a Supplier's carrier is monitored. Consistent non-compliance results in a dismissal of that carrier from all Rite Aid Distribution Centers.
- Please be aware of the holidays listed below when scheduling appointments at the Distribution Centers.
  1. New Year's Day\*
  2. Memorial Day\*
  3. Independence Day\*
  4. Labor Day\*
  5. Thanksgiving Day\*
  6. Christmas Day\*

**\*These are corporate holidays and vary in their application at the Distribution Centers. The Supplier is responsible for contacting the facility if there are any questions, issues or concerns regarding the on time arrival and/or appointment of any Purchase Orders.**

- Appointment Information **REQUIRED**:
  1. Purchase Order number
  2. Number of cartons per shipment
  3. Cube per shipment
  4. Condition of load - number of pallets  
**NOTE: Rite Aid does not accept slip sheet or floor-loaded shipments and additional labor associated with receiving such shipments may result in a chargeback to the Supplier.**
  5. Weight per shipment
  6. Carrier name
  7. Carrier bill number
  8. Carrier phone number and contact information
  9. Description of goods
  10. Hazardous Material Class (if required)
  11. Supplier name and origin

### CARTON MARKING S

- Please note: At this time Rite Aid does not require the UCC/EAN-128 Shipping Container Label to be used in conjunction with the ASN.
- Master packs / master cartons are not accepted. All cartons must be shipped in the same unit(s) as they were ordered.
- All carton markings must indicate the following information:
  1. Case pack carton quantity
  2. Merchandise description - carton contents (by style, color, size)
  3. MFI or Rite Aid item number
  4. Proper Hazardous Material label (if required)
  5. Date Code (if applicable)

# Supplier Compliance Guide

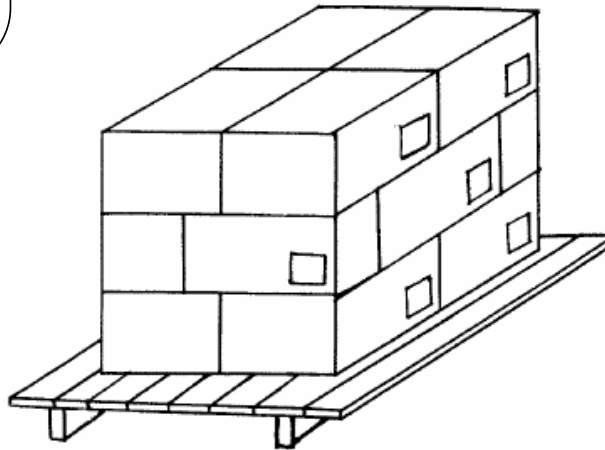
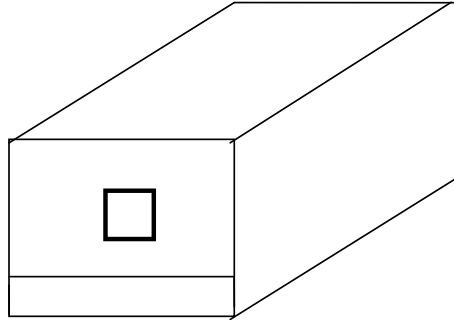
## III. SHIPMENT & ROUTING GUIDE

### CARTON MARKINGS (con't)

#### Marking Format (sample)

Description: Bunny, Solid Chocolate	
Casepack Qty: 48	
MFI or Rite Aid Item:	

#### Placement of Carton Markings (sample)



Deleted: <sp>

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### PALLETS

- Not all Rite Aid Distribution Centers use pallets which are 40 inches by 48 inches. For example, DC# 50 (Poca, WV) and DC# 60 (Rome, NY) use pallets that are 40 inches by 40 inches. Contact the appropriate Rite Aid Distribution Center for any questions regarding specific pallet dimension requirements and/or restrictions.
- Pallet height is accepted at a maximum of 50 inches (including pallet height) for conventional products. Height exceptions may be granted for paper, diapers, and feminine hygiene products. Pallet weight accepted is a maximum of 2,500 pounds. Weight exceptions may be granted on a case-by-case basis for pallets weighing between 2,500-3,000 pounds. Advance approval is required for any exceptions to pallet height and weight.
- Maximum carton weight is 40 pounds. Weight exceptions may be granted on a case-by-case basis. Advance approval is required for any exceptions.
- Place cartons so they do not overhang the edges of the pallet.
- Secure cartons to pallet(s) with stretch wrap.
- If a shipment contains multiple Purchase Orders, sort cartons by Purchase Order, ensuring that each pallet only contains cartons for one Purchase Order. (If your carton count is insufficient to build a complete pallet, you may combine multiple items on one pallet by placing cardboard/heavy paper dividers between Purchase Orders and clearly marking the pallet to indicate this so that the cartons are clearly segregated.)
- Rite Aid does not participate in Pallet Exchange programs.
- Rite Aid does not allow pallet banks.
- CHEP Pallets are accepted at all Rite Aid Distribution Centers.
- Other pallet management programs will neither be authorized nor entertained.
- By accepting a Rite Aid Purchase Order, Suppliers acknowledge and accept full responsibility for the following:
  - Product shipped to a Rite Aid facility on pallets from other pallet providers is done so knowingly and willingly and at the Supplier's sole discretion and expense.
  - Rite Aid assumes no financial responsibility or liability for receiving shipments on non-CHEP pallets.
  - Rite Aid assumes no responsibility or liability for managing, storing, and/or securing non-CHEP pallets related to those shipments received on non-CHEP pallets.
  - Shipments arriving on pallets from other pallet management providers will not be managed by Rite Aid and all associated expenses are the sole responsibility of the Supplier.

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### PACKING LISTS

- A packing list must accompany each shipment of the same Purchase Order. The packing list must reflect the product delivered with each shipment.
- Include the following information on each packing list:
  1. Supplier name and origin
  2. Rite Aid Purchase Order number
  3. Item description **OR** Selling unit UPC number
  4. Case quantity per item
  5. Number of items per unit – case pack quantity
- Master Packing Lists are considered unusable.
- A packing list will be deemed as ‘unusable’ if the information provided is not clear, concise, and accurate. ‘Unusable’ may include, but is not limited to, the following conditions: missing pages, unreadable text, weathered and incomplete or inaccurate data. ‘Unusable’ will be determined at the time of receipt and will be detailed on the scorecard.
- Suppliers should work with their carriers to determine the most effective way of shipping the packing list to ensure that it arrives with the shipment. A few recommendations to consider are:
  1. Place the packing list in a well-marked envelope attached to a carton and secured **under** the shrink wrap.
  2. Include an extra box in the shipment which **is listed on the Bill of Lading count** that contains only the packing list inside. Also clearly mark on the outside of the empty box that the packing list is contained inside. This box should be located in the top layer of the pallet and on the outside to ensure visibility and secured under the shrink wrap. This only applies to truckload or LTL deliveries. This is not applicable for ‘fast freight’/small packages (i.e. FedEx, UPS)
  3. Place packing slip on lead carton / lead pallet
- Packing Lists must **never** be sent inside a case of product.
- **Do not** attach the packing list to the BOL. The BOL is paperwork from the Supplier that is utilized by the carrier to develop the Delivery Receipt. The BOL **does not** follow the freight to the final destination. Distribution Centers receive a Delivery Receipt from the carrier when it delivers the freight.
- If you ship full truckloads, the lead pallet / carton(s) should be the last pallet /carton(s) placed on the truck for easy access at the Rite Aid Distribution Center dock.

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### PACKAGING

- Use safety lids to avoid leakage of liquid products.
- Minimize use of inner pack plastic, cellophane and divider cardboard unless necessary to protect product. Use stronger outer packaging of cardboard to minimize damage.
- Do not pack boxes to the top of cartons. Use divider cardboard as buffer to prevent cut product while opening.
- Packaging and all associated markings must comply with Hazardous Material Regulations (if required).
- Identify number of cartons - “x of y” cartons

### LOAD CONDITIONS

- Minimize mixed skids or mixed layers of items.
- All shipments must be palletized. Slip sheet or floor loaded shipments are not accepted. Additional labor associated with receiving such shipments may result in a chargeback to the Supplier.
- Do not place the same item on multiple pallets within the load.
- Do not mix different Purchase Orders on the same pallet.
- Sort by Purchase Order number first, then by item number.
- A single Purchase Order number should not cover more than one truckload. **It is the Supplier’s responsibility to ensure that the Purchase Order does not exceed one truckload and to contact the Replenishment Buyer requesting the Purchase Order be changed to not exceed one truckload. The Supplier is responsible for all initial fill rate infractions that may result from a Purchase Order exceeding one truckload.**

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

Transportation is a vital component in effectively managing the supply chain. Ultimately, the goal is to manage product flow to achieve the highest fill rates while operating at the lowest possible cost. Rite Aid's Transportation Department continually directs its efforts toward instituting freight prepaid with allowance and/or backhaul programs. Under these programs, the Supplier must allow for normal transit time from their location to the respective Rite Aid Distribution Center.

### **BILL OF LADING REQUIREMENTS**

All bills of lading must have the following information:

- Purchase Order number
- Pieces (cartons and pallets) and weight
- Complete commodity description with accurate NMFC (National Motor Freight Classification)
- Address of actual origin/shipping location (including zip code)
  - For COLLECT shipments, DO NOT mark a released value on the Bill of Lading
- Freight terms - (collect or prepaid)
- Ship date
- Carrier name

Purchase Orders that state the freight terms as prepaid, must have the Bill of Lading marked as such. **Prepaid Purchase Orders shipped collect will be subject to a full chargeback of the freight charges and a \$100 administrative fee, per occurrence.** If there are any questions as to the freight terms, contact your Replenishment Buyer or the Rite Aid Transportation Department.

### **CARRIERS AND DELIVERY APPOINTMENTS**

For a list of Rite Aid's preferred LTL carriers for Prepaid Supplier Shipments, please see the Rite Aid web page at <http://www.riteaidediservices.com/index.html>.

To insure priority delivery appointments and unloading by trained receiving personnel, Suppliers must use one of the LTL carriers from the Rite Aid preferred carrier list. For all Rite Aid freight controlled (collect) shipments, Suppliers must contact the Rite Aid Transportation Department for routing instructions.

Delivery appointments at Rite Aid Distribution Centers are required. The Supplier or Supplier's carrier must obtain a delivery appointment from the Rite Aid Distribution Center Receiving Department. If the Supplier's carrier (any carrier not assigned by the Rite Aid Transportation Department or listed as a preferred LTL carrier in the Rite Aid Shipment and Routing Guide) fails to keep an appointment (no show) or is more than one (1) hour late for the appointment, the Supplier will be charged \$150 per occurrence to offset the under utilization of our receiving operations. This charge is in addition to all other applicable charges related to the delivery for which the Supplier is responsible.

If the Supplier's carrier (any carrier not assigned by the Rite Aid Transportation Department or listed as a preferred LTL carrier in the Rite Aid Shipment and Routing Guide) fails to arrive as appointed and has not notified the Distribution Center Receiving Department at least 48 hours prior to the scheduled appointment time, a \$150 cancellation fee will be assessed.

# Supplier Compliance Guide

## **III. SHIPMENT & ROUTING GUIDE**

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### **CARRIERS AND DELIVERY APPOINTMENTS (con't)**

Rite Aid Distribution Centers require the driver to unload all shipments. **The Supplier is responsible for all accessorial charges associated with delivering Supplier inbound prepaid shipments.**

Any assessment of detention, storage, sort and segregation, unloading, or notification charges associated with prepaid shipments are forwarded to the Supplier or deducted from the Supplier's accounts payable balance.

### **DROP TRAILERS**

Drop trailer arrangements for truckload shipments are evaluated on a case-by-case basis and are subject to the approval of the Rite Aid Transportation Department. The Supplier's historical on-time appointment performance is a key component of evaluating requests for drop trailers. Drop trailers are expected to deliver 24 hours prior to the scheduled Purchase Order appointment date and/or due date and within the drop trailer parameters of the specific Rite Aid Distribution Center.

All preferred LTL carriers drop trailers. When using a Rite Aid preferred LTL carrier, it is highly suggested that Suppliers ship to ensure the product arrives at least one business day prior to the Purchase Order due date to allow time for the Distribution Center to receive shipments arriving on drop trailers and ensure an on-time Purchase Order receipt.

### **RITE AID FREIGHT CONTROLLED SHIPMENTS AND CORPORATE FLEET BACKHAUL**

Contact the Rite Aid Transportation Department at (717) 761-2633 (ext. 8606, 8247, 8507, or 6554) or via e-mail at [transportation@riteaid.com](mailto:transportation@riteaid.com) for routing instructions. Failure to receive Rite Aid specified routing will result in freight charge backs plus a \$100 administrative fee per occurrence.

Backordered merchandise for both Prepaid and Rite Aid Controlled Shipments is to be shipped prepaid FOB destination term at the Supplier's expense.

### **SUPPLIER PREPAID SHIPMENTS**

Rite Aid's policy is to control inbound shipments whenever it is mutually beneficial to do so. Rite Aid performs ongoing freight evaluations to insure that all Rite Aid shipments are occurring at optimal cost and service levels.

- **LTL (Less than Truckload)**

On all LTL shipments, Rite Aid expects Suppliers to utilize one of our preferred LTL carriers. This reduces the number of carriers that serve our Distribution Centers and helps to expedite the delivery of merchandise to our Distribution Centers and to our stores. Our preferred LTL carriers have pre-set appointments, drop trailers, and are able to increase our receiving efficiencies and your/our carrier efficiencies. Preferred LTL carriers also provide shipment status detail via EDI (214). Non-preferred LTL carriers are required to make delivery appointments with the Distribution Center 72 hours prior to delivery and in accordance with the appointment requirements set forth in the Shipment and Routing Guide.

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### SUPPLIER PREPAID SHIPMENTS (con't)

**If a Supplier chooses to use a non-preferred LTL carrier, Rite Aid is not responsible for any accessorial charges, such as detention, storage, sort and segregation, unloading, and/or notification charges.** All accessorial charges will be forwarded to the Supplier or deducted from the Supplier's accounts payable balance, plus a \$100 administrative fee, per occurrence.

- **Truckload (TL)**

All TL shipments require delivery appointments at our Distribution Centers and are driver assist unloads.

**For prepaid TL shipments, Rite Aid is not responsible for any accessorial charges, such as detention, storage, sort and segregation, unloading, and/or notification charges.** All accessorial charges will be forwarded to the Supplier or deducted from the Supplier's accounts payable balance, plus a \$100 administrative fee, per occurrence.

**REMEMBER: Your carriers are required to make appointments and keep them on time!**

### **GENERAL ROUTING INSTRUCTIONS FOR RITE AID FREIGHT CONTROLLED SHIPMENTS**

The Rite Aid Transportation Department serves to provide Supplier routing instructions on all Rite Aid Freight Controlled shipments. This results in lower costs and improved delivery efficiencies to Rite Aid Distribution Centers. Suppliers must contact the Rite Aid Transportation Department at least three business days prior to ship date for routing instructions. The ship date must take into account standard transit days. Additional freight costs resulting from expediting shipments for on-time arrival due to the Supplier's failure to provide sufficient lead time for routing by standard transit days may be charged to the Supplier.

The Rite Aid Transportation Department is the only department who may provide routing for Suppliers who ship where Rite Aid is responsible for freight payment. You must request routing from the Rite Aid Transportation Department for each Rite Aid Purchase Order.

**Deviations from these instructions indicate that the Supplier chooses to ship on a prepaid basis and result in a chargeback for full freight plus \$100 administrative fee, per occurrence.**

Suppliers must e-mail or fax all routing requests. Click [here](#) to download Rite Aid's approved routing request form. Telephone requests are not accepted. All shipments must be palletized – slip sheets or floor loaded shipments are not accepted.



# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### GENERAL ROUTING INSTRUCTIONS FOR RITE AID FREIGHT CONTROLLED SHIPMENTS (con't)

When submitting the routing request, Suppliers must provide the following information:

- Supplier address from which product is shipping
- Rite Aid Distribution Center to which product is shipping
- Purchase Order number
- Total number of pallets in shipment
- Indicate whether pallets may be double-stacked
- Total number of cartons in shipment
- Total weight of shipment
- Total cube of shipment
- For LTL shipments, commodity description and accurate NMFC
- Item level detail of shipment
- Item number
- Number of cases shipping per item
- Number of pieces per case

#### **Rite Aid Freight Controlled Less-than-Truckload (LTL) Shipments**

Multiple Purchase Orders shipping to the same Rite Aid Distribution Center **must** be written on one (1) bill of lading so as to constitute one shipment.

Shipping more than one LTL shipment per week to a Rite Aid Distribution Center is not permitted. Suppliers must consolidate Purchase Orders, coordinate the items and quantities impacted, and coordinate and agree upon Purchase Order due dates with your Replenishment Buyer. Failure to do so may result in Suppliers incurring Fill Rate and On-Time compliance infractions. Suppliers are charged back for subsequent LTL shipments occurring in the same workweek.

The selected Rite Aid preferred carrier should service your location direct. If not, please contact the Rite Aid Transportation Department for routing instructions.

**Deviations from these procedures indicate that you chose to ship on a prepaid basis and result in a chargeback for full freight plus \$100 administrative fee, per occurrence.**

#### **Rite Aid Freight Controlled Truckload (TL) Shipments**

All Rite Aid freight controlled TL shipments must be routed by the Rite Aid Transportation Department. Suppliers must provide seals and notate the seal number on the BOL. Rite Aid is not liable for shortages and damages for Rite Aid freight controlled TL shipments where Suppliers did not provide a seal and/or notate the seal number on the BOL.

**Deviations from these procedures indicate that you chose to ship on a prepaid basis and result in a chargeback for full freight plus \$100 administrative fee, per occurrence.**

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

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### GENERAL ROUTING INSTRUCTIONS FOR RITE AID FREIGHT CONTROLLED SHIPMENTS (con't)

#### Rite Aid Freight Controlled Small Parcel Shipments

All Rite Aid freight controlled small parcel shipments must be routed by the Rite Aid Transportation Department.

**Deviations from these procedures indicate that you chose to ship on a prepaid basis and result in a chargeback for full freight plus \$100 administrative fee, per occurrence.**

#### Import Shipments

Please refer to the Import section of the Supplier Compliance Guide for import instructions.

#### Air Freight

**Rite Aid does not authorize airfreight. Any deviations from the normal shipping procedures must be authorized by the Rite Aid Transportation Department.**

Contact the Rite Aid Transportation Department with any questions prior to shipping to ensure compliance with our Transportation policies and procedures. The Rite Aid Transportation Department must be contacted for routing of **ALL RITE AID FREIGHT CONTROLLED** shipments. Rite Aid neither approves nor is responsible for freight and accessorial charges on prepaid or prepaid and add shipments.

If you have any questions regarding Rite Aid preferred carriers and inbound routing, contact the Rite Aid Transportation Department at (717) 761-2633 (ext. 8606, 8247, 8507, or 6554) or via e-mail at [transportation@riteaid.com](mailto:transportation@riteaid.com).

For a list of LTL preferred carriers, by Distribution Center, please see <http://www.riteaidediservices.com/index.html>.

The Perryman Distribution Center (Mid-Atlantic CSC) inventory is organized into three areas - RX (Area 1), Central (Area 2), and Regional (Area 3). Rite Aid requests that Suppliers address all transportation paperwork and shipment labeling (bill of lading, packing slip, etc.) to specify the designation of the appropriate inventory area.

### RETURNS TO SUPPLIER

#### Freight Deduction Supporting Documentation

Rite Aid utilizes an electronic payment platform that eliminates all paper copies of carrier freight invoices and supporting documentation, such as Bills of Lading and Delivery Receipts.

Suppliers may access supporting freight documentation on-line via the carrier's website using the carrier PRO number referenced on the Supplier invoice.

Suppliers may obtain further information on our website <http://www.riteaidediservices.com/index.html> under "Return to Supplier Shipping Policy."

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

Summary of Distribution Center Information	DEA NUMBER	* DUNS No. + 4	PREFERRED LTL CARRIER
<b>CHARLOTTE DISTRIBUTION CENTER*</b> 1776 Statesville Avenue Charlotte, NC 28206 (704) 371-3653	N/A	0145788920053	YRC, ESTES
<b>DAYVILLE DISTRIBUTION CENTER*</b> Killingly Oaks Business Park 500 Forbes Road Dayville, CT 06241 (860) 779-0632	N/A	0145788920054	YRC, ESTES, NEW ENGLAND MOTOR FREIGHT
<b>LIVERPOOL DISTRIBUTION CENTER*</b> 7245 Henry Clay Boulevard Liverpool, NY 13088 (315) 451-8000 x2274	RE0356003	0145788920055	YRC, ESTES, NEW ENGLAND MOTOR FREIGHT
<b>PHILADELPHIA DISTRIBUTION CENTER*</b> 1 Geoffrey Road Fairless Hills, PA 19030 (215) 428-5917	N/A	0145788920056	YRC, ESTES, NEW ENGLAND MOTOR FREIGHT
<b>PERRYMAN DISTRIBUTION CENTER**</b> 601 Chelsea Road Aberdeen MD 21001-4306 (410) 297-6363	RR0236073	0145788920010	YRC, ESTES, NEW ENGLAND MOTOR FREIGHT
<b>RITE AID FIXTURE DISTRIBUTION CTR.</b> 325 Welltown Road Winchester, VA 22603 (540) 662-3552	N/A	0145788920023	YRC, ESTES
<b>PONTIAC DISTRIBUTION CENTER</b> 5400 Perry Drive Waterford, MI 48329 (248) 674-7770	002230PIY	0145788920029	YRC, ESTES
<b>TUSCALOOSA DISTIBUTION CENTER*</b> 3931 Rice Mine Road NE Tuscaloosa, AL 35406 (205)345-7419 x225	RH0231124	0145788920035	YRC, ESTES
<b>POCA DISTRIBUTION CENTER*</b> Rock Branch Industrial Park Putnam County Poca, WV 25159 (304) 755-8124 x540	004569RDY	0145788920050	YRC, ESTES
<b>ROME DISTRIBUTION CENTER*</b> 5865 Success Drive Rome, NY 13440 (315) 338-8174	004769RDY	0145788920060	YRC, ESTES, NEW ENGLAND MOTOR FREIGHT
<b>ICE CREAM DIVISION</b> 9200 Telstar Avenue El Monte, CA 91731 (626) 571-0122	N/A	0145788920061	YRC, ESTES, TONY'S EXPRESS
<b>WILSONVILLE DISTRIBUTION CENTER</b> 29555 SW Boones Ferry Road Wilsonville, OR 97070 (503) 685-6013	N/A	0145788920080	YRC, ESTES
<b>WOODLAND DISTRIBUTION CENTER</b> 1755 East Beamer Street Woodland, CA 95776 (530) 661-1800 x124	RT0223874	0145788920081	YRC, ESTES, TONY'S EXPRESS
<b>LANCASTER DISTRIBUTION CENTER</b> 2801 West Avenue H Lancaster, CA 93536 (661) 951-7565	N/A	0145788920088	YRC, ESTES, TONY'S EXPRESS
Contact the Rite Aid Transportation Department with any questions regarding Rite Aid Preferred Carriers and inbound routing prior to shipping. The Rite Aid Transportation Department <u>must</u> be contacted for routing of ALL RITE AID FREIGHT CONTROLLED SHIPMENTS. Suppliers may reach the Rite Aid Transportation Department at (717)761-2633 ext. 8606, 8247, 8507, or 6554 or via email at <a href="mailto:transportation@riteaid.com">transportation@riteaid.com</a> .			
*The Primary Ship-to Location holds the DEA number			
**Perryman Distribution Center has its inventory organized into three areas consisting of: RX (Area 1), Central (Area 2), and Regional (Area 3). It is requested that all transportation paperwork and shipment labeling (bill of lading, packing slip, etc) be addressed appropriately to specify that designation.			

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

### Summary of Satellite Distribution Center Information

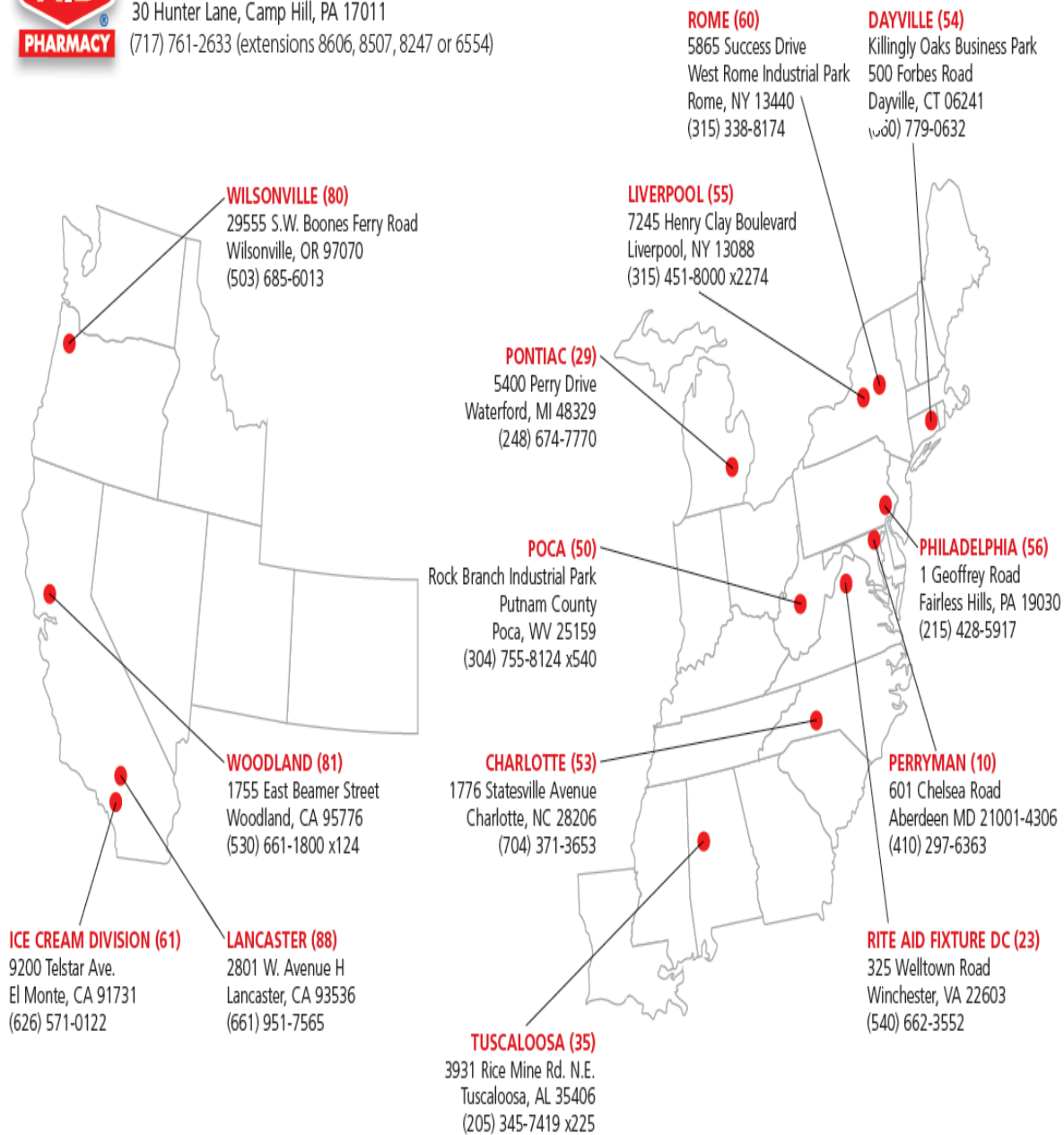
<i>PRIMARY SHIP TO LOCATION ADDRESS</i>	<i>DUNS + 4</i>	<i>DEA NUMBER</i>	<i>PREFERRED LTL CARRIER</i>	<i>SATELLITE WAREHOUSE LOCATION #1</i>	<i>SATELLITE WAREHOUSE LOCATION #2</i>	<i>SATELLITE WAREHOUSE LOCATION #3</i>
CHARLOTTE DISTRIBUTION CENTER 1776 Statesville Avenue Charlotte, NC 28206 (704) 371-3600 (main) (704) 371-3653 (appointment)	0145788920053	N/A	YRC ESTES	1700 Statesville Ave Charlotte, NC 28206 (704) 371-3653	4017 Chesapeake Dr. Charlotte, NC 28216 (704) 395-1525	N/A
LIVERPOOL DISTRIBUTION CENTER 7245 Henry Clay Boulevard Liverpool, NY 13088 (315) 451-8000 X2274	0145788920055	RE0356003	YRC ESTES NEW ENGLAND MOTOR FREIGHT	4577 Buckley Road Liverpool, NY 13088 (315) 622-6140	N/A	N/A
PERRYMAN DISTRIBUTION CENTER 601 Chelsea Rd Aberdeen, MD 21001-4306 (410) 297-6363	0145788920010	RR0236073	YRC ESTES NEW ENGLAND MOTOR FREIGHT	Liberty Building 1601 Perryman Rd Aberdeen, MD 21001	N/A	N/A
PHILADELPHIA DISTRIBUTION CENTER 1 Geoffrey Road Fairless Hills, PA 19030 (215) 428-5958 (main) (215) 428-5917 (appointment)	0145788920056	N/A	YRC ESTES NEW ENGLAND MOTOR FREIGHT	8 Queen Ann Court Langhorne, PA 19047 (215) 428-5917	N/A	N/A
POCA DISTRIBUTION CENTER Rock Branch Industrial Park Putnam County Poca, WV 25159 (304) 755-8124 x540	0145788920050	004569RDY	YRC ESTES	2900 Charles Ave. Dunbar, WV 25064 (304) 755-8124 x540	N/A	N/A
ROME DISTRIBUTION CENTER 5865 Success Drive Rome, NY 1344 0 (315) 338-8174	0145788920060	004769RDY	YRC ESTES NEW ENGLAND MOTOR	2007 Beechgrove Place. Utica, NY 13501 (315) 338-8174	N/A	N/A
TUSCALOOSA DISTRIBUTION CENTER 3931 Rice Mine Road NE Tuscaloosa, AL 35406 (205) 345-7419 x225	0145788920035	RH0231124	YRC ESTES	10390 Technology Ave. Cottondale, AL 35453 (205) 345-7419 x225	N/A	N/A
WILSONVILLE DISTRIBUTION CENTER 29555 SW Boones Ferry Road Wilsonville, OR 97070 (503) 685-6013	0145788920080	N/A	YRC ESTES	29125 SW Casting Street Wilsonville, OR 97070	N/A	N/A
WOODLAND DISTRIBUTION CENTER 1755 East Beamer Street Woodland, CA 95776 (530) 661-1800 x 124	0145788920080	RT0223874	YRC ESTES	280 North Pioneer Avenue Woodland, CA 95776-5914	N/A	N/A
Purchase Orders will be issued to the building holding the DEA license; therefore, the order may be re-consigned to another building at the time of delivery.						

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

Rev. 5/10

**RITE AID PHARMACY** **Distribution Centers**  
CORPORATE TRANSPORTATION DEPARTMENT  
30 Hunter Lane, Camp Hill, PA 17011  
(717) 761-2633 (extensions 8606, 8507, 8247 or 6554)



# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE



**RITE AID TRANSPORTATION DEPARTMENT**  
30 Hunter Lane, Camp Hill, PA 17011  
(717) 761-2633 (ext. 8606, 8247, 8507, or 6554)

### PREPAID SUPPLIER SHIPMENTS

Rite Aid's designated Preferred LTL Carriers are:

YRC

    Servicing ALL DISTRIBUTION CENTERS

New England Motor Freight

    Servicing Distribution Centers in DAYVILLE, CT; PERRYMAN, MD; LIVERPOOL, NY; ROME, NY; and PHILADELPHIA, PA

Estes Express

    Servicing ALL DISTRIBUTION CENTERS

Tony's Express

    Servicing Distribution Centers in LANCASTER, CA and WOODLAND, CA

- Using a Rite Aid Preferred LTL carrier ensures priority delivery appointments and unloading by trained receiving personnel.
- "Prepaid & Charge" or "Prepaid & Add" shipments are not accepted and will be charged back in full to Supplier.
- Delivery appointments at Distribution Centers are necessary. The Supplier or Supplier's carrier must obtain a delivery appointment from the Rite Aid Distribution Center Receiving Department. If the carrier fails to arrive as appointed and has not provided the proper notification to the Distribution Center Receiving Department, a cancellation fee is assessed.

- Rite Aid Distribution Centers require drivers to unload shipments. Rite Aid is not responsible for any accessorial charge, such as detention, storage, sort and segregation, unloading, and/or notification charges. All accessorial charges are forwarded to the Supplier or deducted from the Supplier's accounts payable balance, plus a \$100 administrative fee, per occurrence.
- Suppliers should consult the Rite Aid Supplier Compliance Guide for requirements and recommendations pertaining to inbound shipments.

### RITE AID FREIGHT CONTROLLED SHIPMENTS

Contact the Rite Aid Transportation Department for routing instructions. Only the Rite Aid Transportation Department is authorized to provide routing for Rite Aid freight controlled shipments. Failure to receive Rite Aid specified routing from the Rite Aid Transportation Department will result in full freight chargeback to the Supplier plus \$100 administrative fee, per occurrence.

### RITE AID BACKHAUL SHIPMENTS

The Rite Aid Fleet is often available for customer pick-up (CPU). CPU service and allowance terms may be negotiated with the Rite Aid Transportation Department.

# Supplier Compliance Guide

## III. SHIPMENT & ROUTING GUIDE

### RITE AID PREFERRED LTL CARRIERS

#### Local Terminals Servicing Rite Aid Distribution Centers

DC	YRC*	ESTES	Tony's Express	DC	YRC	ESTES	New England Motor Freight
<b>Tuscaloosa AL</b>	99 Murphree Road Birmingham, AL 35217 Phone 205-841-6401	3901 16 <sup>th</sup> Avenue North Birmingham, AL 35234 Phone: 205-841-9372		<b>Dayville CT</b>	437 Middle Street Middletown, CT 06457 Phone 860-632-8899	539 Hartford pike Shrewsbury, MA 01545 Phone: 508-845-8230	400 Division Street Pawtucket, RI 02860 Phone: 401-723-4350
<b>Lancaster CA</b>	17401 Adelanto Road Adelanto, CA 92301 Phone: 760-246-0091	9120 San Fernando Road Sun Valley, CA 91352 Phone: 818-504-4155	4239 Pock Lane Stockton, CA 95206 Phone: 209-234-1000	<b>Perryman MD</b>	5101 Washington Blvd Baltimore MD 21227 Phone 443-543-0290	201 Chesapeake Blvd. Elkton, MD 21921 Phone: 410-392-0328	3 Center Road Northeast, MD 21901 Phone: 401-282-9588
<b>Woodland CA</b>	4200 W. Capitol Ave. W. Sacramento, CA 95691 Phone: 916-371-4555	5411 Raley Blvd. Sacramento, CA 95838 Phone: 916-991-4570	10613 Jasmine St Fontana, CA 92337 Phone 909-427-8700	<b>Liverpool NY</b>	6990 Northern Blvd E Syracuse, NY 13057 Phone 315-463-7500	7200 Schuyler Road East Syracuse, NY 13057 Phone: 315-452-9505	7201 Schuyler Road East Syracuse, NY 13057 Phone: 315-452-5611
<b>Pontiac MI</b>	7701 W. Jefferson Ave. Detroit, MI 48209 Phone 313-843-1900	9911 Harrison Street Romulus, MI 48174 Phone: 734-946-0374		<b>Rome NY</b>	6990 Northern Blvd E Syracuse, NY 13057 Phone 315-463-7500	7200 Schuyler Road East Syracuse, NY 13057 Phone: 315-452-9505	7201 Schuyler Road East Syracuse, NY 13057 Phone: 315-452-5611
<b>Charlotte NC</b>	1200 Ambler Drive Charlotte, NC 28206 Phone 800-665-0462	11000 Reames Road Charlotte, NC 28269 Phone: 704-597-9130		<b>Philadelphia PA</b>	2627 State Rd Bensalem, PA 19020 Phone 215-245-2360	4095 Blanche Road Bensalem, PA 19020 Phone: 215-244-0888	1618 Union Avenue Pennsauken, NJ 08110 Phone: 856-486-0011
<b>Wilsonville OR</b>	10510 N Vancouver Way Portland, OR 97217 Phone 503-289-8800	5820 N. Basin Avenue Portland, OR 97217 Phone: 503-285-4470		<b>Poca WV</b>	2201 6th Ave. Charleston, WV 25312 Phone 304-344-8730	505 35 <sup>th</sup> Street, West Charleston, WV 25312 Phone: 304-744-2195	

#### Rite Aid Preferred LTL Carrier National Account Representatives

**Federal Express (Small Parcel)**  
Jim Royston  
jdroyston@fedex.com

**YRC**  
Bill Carey  
bill.carey@yrcw.com

**Estes Express**  
Bill Thomas  
bthomas@estes-express.com

**Tony's Express**  
Terry Jacob  
tjacob@tony-express.com

**NEMF**  
Ed Campbell  
ecampbell@shevellgroup.com

# Supplier Compliance Guide

## **IV. ACCOUNTS PAYABLE**

This section outlines important information for new Supplier setup, changes in Supplier information, invoice requirements and payment policies. Accurate information will ensure timely invoice processing.

### **SUPPLIER INFORMATION - NEW SUPPLIERS**

New Suppliers cannot be added to the Rite Aid Supplier File until the Supplier has been designated as an “Authorized” Supplier by a Rite Aid Category Manager. Each Supplier must meet all of Rite Aid’s Supplier insurance and product liability requirements as confirmed by our Risk Management Department. Furthermore, approval from the Rite Aid Accounts Payable and Treasury Departments must be obtained to activate a Supplier within the Rite Aid Supplier File.

A Category Manager will work with the Supplier to complete the New Supplier Application and Information Form, which requires the following documents/agreements to be completed by Rite Aid and/or the new Supplier:

#### Warehouse and DSD Suppliers

- Defense and Indemnity Agreement
- Mutual Confidentiality Agreement (if applicable)
- Rite Aid Returns Agreement
- Rite Aid Guaranteed Sales Agreement
- Certificate of Insurance (Annually)\*
- EDI Trading Partner Profile Form (if applicable)
- W-9 Form
- Current Dun & Bradstreet

If you are not registered, you will need 3 letters of reference and a copy of the most current (within a year of the application date) audited financial statements. This may also be requested during the new Supplier approval process for potential Warehouse or DSD Supplier.

Each document/agreement required in the application process must be completed, signed, and returned to the Category Manager, at which time this information will be reviewed by Rite Aid Risk Management, Accounts Payable and the Treasury Department.

\*Please note an updated “Certificate of Insurance” should be provided to the Accounts Payable Department at 200 Newberry Commons, Eters, Pa. 17319 within 10 days of current COI expiration.

Once all Rite Aid requirements are met, the Supplier will be approved and added to Rite Aid’s Supplier File after which the Category Manager will be able to generate Purchase Orders. Suppliers must provide a single address for all Rite Aid remittances.

In addition to these documents, the Category Manager will provide each new Supplier with the following documents:

- Rite Insight, InfoAccess.net
- Supplier Compliance Guide
- Rite Aid Price Change Form
- EDI Process – New Supplier Document
- Rite Aid Distribution Center Map
- Shipment Routing Guide



# Supplier Compliance Guide

## IV. ACCOUNTS PAYABLE

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### SUPPLIER INFORMATION - CHANGES TO EXISTING SUPPLIER FILES

Changes to the corporate address, remit to address, name, or legal structure changes such as company mergers, company sold, Chapter 11 or going out of business must be communicated in writing on a company letterhead and signed by an authorized representative of your company. The letter must contain the following information:

- Your Company Name and DUNS Number
- Old Parent Company Name and New Parent Company Name
- Old Company Address and New Company Address
- Change of Remit Address
- Statement of What Is Transpiring

Written notification of changes of this nature must be sent to the appropriate Category Manager at:

Rite Aid  
Attn: \_\_\_\_\_  
30 Hunter Lane  
Camp Hill, PA 17011

### SUPPLIER INFORMATION – CHANGES TO REMIT TO ADDRESSES

The Supplier File will not be updated for remit address changes unless the written notification discussed above is provided to the Category Manager.

If there is a change in ownership and the new owner is not currently on our Supplier File as an approved Supplier, your company will be treated like a new Supplier and will be required to complete the new Supplier process and gain approval as set forth in previous paragraphs.

Rite Aid Accounts Payable is dedicated to paying all merchandise invoices within the established payment terms as well as providing the Suppliers with superior customer service. EDI 810 Invoice transactions are required of all Rite Aid Suppliers. Non-compliance penalties will be assessed per invoice infraction.

Listed below are the procedures that must be followed to make sure your invoices are paid on a timely basis:

1. Receive from Rite Aid a valid Purchase Order, either EDI or a printed purchase order form (phone orders, worksheets and verbal commitments are not valid).
2. Verify the accuracy of all Purchase Order details including cost price, payment terms, etc. Do not ship merchandise until all discrepancies on the Purchase Order have been corrected and proof of correction is provided to you by the category manager in the form of *a new Purchase Order* (cost and payment term differences are not reimbursable).
3. After shipping goods, submit invoices via the EDI 810 document. Do not begin transmitting 810's until the testing process is complete. For more information call the EDI contacts previously listed.
4. Multiple Distribution Center deliveries cannot be included on a single Purchase Order.
5. Each invoice for a Rite Aid Distribution Center receipt must correspond to one unique Purchase Order.
6. Multiple Purchase Orders may not be combined on a single invoice.

# Supplier Compliance Guide

## IV. ACCOUNTS PAYABLE

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### SUPPLIER INFORMATION – CHANGES TO REMIT TO ADDRESSES (con't)

7. Items with extended terms must be invoiced separately.
8. Suppliers may not invoice prior to shipment and must invoice only for the product shipped.
9. For DSD Suppliers, the Supplier is required to provide the store with a fully priced and extended paper invoice at time of delivery of merchandise. The invoice will reflect the same invoice number, invoice date, Rite Aid store #, shipping address and invoice total as that submitted via EDI (as discussed above).

### RITE AID PAYMENT POLICIES

#### **Payment Amount Process**

Rite Aid will pay the lesser of the price listed on the applicable Purchase Order, the current invoice price, or the negotiated Market Level price (DSD Suppliers only).

#### **Payment Due Date Calculation**

The invoice due date will be calculated based upon Invoice Date or Receipt of Goods Date (whichever is later) and based upon the most favorable of the invoice or Purchase Order terms. Supplier terms will be standard across entities. Checks will not be sent via overnight services.

#### **Cash Discount Calculations**

Rite Aid will calculate the cash discount on an invoice's gross value of merchandise prior to discounts and allowances.

#### **Timing of Deductions**

Rite Aid may take an additional 30 days dating without loss of discount for any invoice that is not equal to or less than each item price indicated in the Purchase Order or the Market Level Pricing system (DSD Suppliers only).

#### **Shipping Discrepancies**

Deductions will be taken for quantity variances by shipment / picking error, shortages, and damaged merchandise. Adjustments for Supplier shortages or damages, observed at the time of receipt at a Rite Aid location, will be documented at that time. Where inspection of product is not feasible or permitted, undisclosed shortages or damages subsequently discovered during the Rite Aid receiving process, will result in an adjustment to the Supplier billing.

#### **Other Deductions**

Rite Aid reserves the right to deduct from outstanding Supplier payables for allowances, bill backs, returns, post audits, coupons rejected by manufacturer processor and other receivables including assessments and fees. Rite Aid also reserves the right to request payment by check on balances past due.

#### **Shipping Requirements**

All merchandise is required to be shipped in accordance with Rite Aid's Transportation Guidelines (See Section III: Shipment & Routing Instructions). Penalties will be assessed and deductions will be taken for violations of these guidelines.

#### **Invoice Copies (DSD only)**

All DSD shipments must contain a copy of the invoice, which should include an invoice number, date, cost, and Rite Aid store number.

# Supplier Compliance Guide

## **IV. ACCOUNTS PAYABLE**

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### **RITE AID POST AUDIT POLICY**

Rite Aid conducts Post Audits of all aspects of its payable units. Rite Aid reserves the right, as protected under Section 8.2-725 of the UCC, to file claims within forty-eight (48) months of the event. Rite Aid auditors submit all claims in writing to our Suppliers and allow the Suppliers 30 days to review and respond to the claims before any deduction is initiated. All issues must be resolved in 60 days.

### **SUPPLIER INQUIRIES AND CORRESPONDENCE**

Supplier telephone and letter inquiries regarding accounts payable transactions, balances, and discrepancies should be directed to the Warehouse or DSD Accounts Payable Department. A number of accounts payable correspondents are available to process Supplier inquiries and problems.

Our correspondents work with a continuous backlog of Supplier inquiries; therefore, wherever possible, Suppliers should state their situation in writing, attach supporting documentation to their written inquiry, and send their package to the Warehouse or DSD Accounts Payable Department, whichever is applicable. Allow 6-8 weeks for response. Except for emergency situations, telephone inquiries will be logged and processed by our correspondents based upon their backlog agenda and the time and date of the telephone inquiry.

Initial inquiries sent by facsimile transmissions (fax) will also be processed based upon our backlog agenda. To be fair to all Suppliers, fax inquiries will not be inserted into our processing schedule ahead of written and/or telephone inquiries.

Rite Aid must be notified in writing of any invoice payment dispute within thirty (30) days of the check date.

Supplier correspondence on open invoices must be initiated within six (6) months of the initial invoice date.

### **RITE AID ACCOUNTS PAYABLE CONTACTS**

**Phone:** Please call (717) 761-2633 and follow the prompts to reach the appropriate party within Accounts Payable.

#### **Warehouse Accounts Payable (For Distribution Centers)**

**Mail:** Rite Aid  
PO Box 8432  
Harrisburg, PA 17105-8432  
**Email:** [Warehouseap@corpinet.ra.riteaid.us](mailto:Warehouseap@corpinet.ra.riteaid.us)  
**Fax:** (717) 972-3985

#### **DSD Accounts Payable (For Direct Store Deliveries)**

**Mail:** Rite Aid  
PO Box 8431  
Harrisburg, PA 17105-8431  
**Fax:** (717) 975-5901

# Supplier Compliance Guide

## IV. ACCOUNTS PAYABLE

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### RITE AID ACCOUNTS PAYABLE CONTACTS (con't)

#### **Expense Accounts Payable**

**Mail:** Rite Aid  
PO Box 8431  
Harrisburg, PA 17105-8431

**Fax:** (717) 975-5919

**Phone:** General Inquiries (717) 761-2633 x5530  
1099 Inquiries (717) 730-8301

#### **Supplier Billing**

**Mail:** Rite Aid  
PO Box 3165  
Harrisburg, PA 17105  
Attn: AP Acctg & Analysis

**Fax:** (717) 730-8273

**Email:** [vendorbilling@riteaid.com](mailto:vendorbilling@riteaid.com)

# Supplier Compliance Guide

## V. SUPPLIER MANAGEMENT PROGRAM

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The Supplier Compliance Guide was established to elevate awareness of critical gaps in the supply chain flow for Rite Aid and our Suppliers. By simply creating an awareness of these key measurements, we will work together to resolve some of the challenges that prevent maximization of customer satisfaction.

As part of Rite Aid's commitment to continued improvement of supply chain performance, we continually review measures highlighting those areas that Rite Aid has determined to be of high priority. It is our objective to share only the most useful indicators of performance, focusing our attention on measurements that will result in the highest achievement standards throughout the supply chain. Rite Aid extends the invitation for every member of the Supplier community to schedule a visit to a Rite Aid Distribution Center to observe the receipt processing of their respective shipments, thereby affording an opportunity to observe our performance measurement criteria 'in action'.

It is our expectation that the Supplier Compliance Guide will provide an opportunity to investigate Supply Chain challenges. Through joint process improvements, Rite Aid is committed to working with our Suppliers, making every effort to continually improve performance. Please be aware every Purchase Order is accepted under the terms and conditions of the Supplier Compliance Guide.

Rite Aid's expense offset policy is intended to recover the cost incurred by Rite Aid due to Suppliers that do not meet our standards. Expense offset charges include Administrative fees PLUS Additional fees, where applicable. Below you will find a complete listing of non-compliance issues and corresponding expense offset charge(s).

Rite Aid has identified two master Supplier non-compliance categories titled 'Performance' and 'Compliance'.

**Performance Metrics:** Performance metrics focus on Supplier-related shipping/transportation issues that directly impact DC related activities (i.e. manpower allocation and receipt processing efficiencies). Performance metric compliance violations are recorded **per purchase order**. Performance expense offset charges (Administrative Fee + Additional Fee) will be applied to each Supplier's AP account as a line-item deduction and are applied as DC Credits to offset the additional expense necessary for processing compliant receipts.

**Compliance Metrics:** Compliance metrics focus on overall compliance performance that directly impacts service levels (i.e. fill rates, on-time shipments, and ASN accuracy). Compliance metrics are recorded **on a monthly basis**. Compliance expense offset charges (Administrative Fee + Additional Fee) will be applied if the Supplier fails to meet the minimum Supplier Compliance performance percentage goals, as determined by Rite Aid, for **two consecutive** monthly review periods.

In your review of each metric, please take the time to understand what each metric and associated infraction represents. If you have any questions, please contact the appropriate Compliance Analyst or to [Vendormgmt@riteaid.com](mailto:Vendormgmt@riteaid.com).

# Supplier Compliance Guide

## V. SUPPLIER MANAGEMENT PROGRAM

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### PERFORMANCE METRIC DEFINITIONS

Performance metrics are measured per occurrence or per Purchase Order receipt. Since these metrics are defined by their description, please see Section VI. Expense Offsets for a list of all metrics.

### EDI METRIC DEFINITIONS

EDI metrics are measured on a monthly basis. The information is updated the first of each month and is available on the web-enabled Performance Scorecard available through the Compliance Scorecard report.

- **Purchase Order Non-compliance:** All Purchase Orders are required to be received via electronic transmission (EDI). If traditional EDI is not an option, Rite Aid's EDI Department offers an internet version. For more information, email [edi@riteaid.com](mailto:edi@riteaid.com) or go to <http://www.riteaidediservices.com>
- **ASN Non-compliance:** All shipments received in Rite Aid Distribution Centers are required to be preceded by an Advanced Ship Notice (ASN) via electronic transmission (EDI). If traditional EDI is not an option, Rite Aid's EDI Department offers an internet version.
- **Invoice Non-compliance:** All invoices against Rite Aid Purchase Orders are required to be entered into accounts payable system via electronic transmission (EDI). If traditional EDI is not an option, Rite Aid's EDI Department offers an internet version.

**All Suppliers MUST initiate and complete their EDI testing and be in production within 30 after the ETA date of their initial Purchase Orders.**

### COMPLIANCE METRIC DEFINITIONS

Compliance metrics are measured on a monthly basis, and a Supplier must fall below goal for two (2) consecutive months before deductions are applied. The information is updated the seventh of each month and is available on the Compliance Scorecard report.

- **On-time Initial Receipt Fill Rate:** The percent of units received to the total units ordered by the expected delivery due date based upon the initial DC receipt. The on-time initial receipt unit fill rate pertains to the first substantial receipt defined as 5% or more of the total Purchase Order quantity and not accumulated receipts.
- **On-time PO Arrival:** The metric reports all of the Purchase Orders that have a due date in that month. A Purchase Order is considered On-Time when the total quantity received is equal to or greater than 90% of the total Purchase Order quantity and that were received on or before the due date.
- **On-Time Appointment:** The percent of appointments met by the scheduled date/time to the total appointments made. "Time" is defined as the specific dock time that was assigned. On-Time Appointment values: YES (On-Time), NO (Late). In the event that a carrier arrives prior to their scheduled appointment time, effort will be made to expedite the unload; however, early arrivals are subject to DC capacity constraints.
  - **On-Time** – Delivery on the date requested and within one (1) hour of the designated appointment time.
  - **Late** – Delivery on a date after requested and/or later than one (1) hour of the designated appointment time.

# Supplier Compliance Guide

## **V. SUPPLIER MANAGEMENT PROGRAM**

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- **Failure to Acknowledge EDI 850 PO w/EDI 997 within 24 hours.** EDI 997s must be received within 24 hrs of Purchase Order transmittal date and time. (Rite Aid weekends and recognized holidays are adjusted into expected arrival dates and times.)
- **ASN not received within 24 hours of Supplier ship date/time:** Advanced Ship Notices (ASN) must be received via electronic transmission (EDI) within 24 hours of the Purchase Order ship date and time. (Rite Aid weekends and recognized holidays are adjusted into expected arrival dates and times.)

### **SUPPLIER INQUIRIES AND CORRESPONDENCE**

For questions relating to Rite Aid's Supplier Management Program, please contact the appropriate Compliance Analyst or [Vendormgmt@riteaid.com](mailto:Vendormgmt@riteaid.com) including supplier number and name in the subject line of the email.

**All inquiries pertaining to Supplier violations must be received within 90 days of the date of the violation.**

All back up documentation is available on the Rite Aid portal (<https://raportal.riteaid.com>) under the Supplier Management Program report option 'FEE REVIEW'.

Please forward any requests for additional contacts, deletion of old contacts or new email addresses to the appropriate Compliance Analyst or [Vendormgmt@riteaid.com](mailto:Vendormgmt@riteaid.com).

When requesting access, please include all of the following:

- Full name of the person access is being requested for
- Title
- Email address
- Telephone phone number
- Fax number
- all supplier numbers to be accessed

### **THIRD PARTY INQUIRIES AND CORRESPONDENCE**

Rite Aid takes measures to ensure the privacy of Supplier statistics reported via the Supplier Management Program. Examples include using a secure server, required user id and password, mandatory password changes every 45 days, and limited data views.

Performance inquiries from carriers or competitors are directed to the Supplier for response. Rite Aid does not share or publish a Supplier's performance statistics. We encourage our Supplier community to use the information we provide to hold carriers accountable for their performance and improve their competitive position.

If it is determined that the performance information Rite Aid provides is misused or misrepresented, we will clarify the objectives and operations of the Supplier Management Program in order to maintain the integrity of the program. While specific details will not be shared, general information regarding how the program was created, managed and reported will be shared to ensure all interests are fairly considered.

# Supplier Compliance Guide

## VI. EXPENSE OFFSETS

NON-COMPLIANCE AREA	EXPENSE OFFSET FEES
<b>PURCHASE ORDER (PO) ISSUES</b>	
Shipped to Wrong RA Center	\$150 admin fee + \$400 per shipment
Cancelled PO	\$150 admin fee + \$400 per purchase order
<b>PACKING LIST / BOL</b>	
Packing List / BOL Missing / Unusable	\$150 admin fee + \$150 per purchase order
Packing List / BOL Contains Multiple POs	\$150 admin fee + \$150 per purchase order
<b>ITEM ISSUES</b>	
No UPC	\$150 admin fee + \$2 per unit
Incorrect UPC	\$150 admin fee + \$2 per unit
Not Ordered or Canceled on PO	\$150 per item occurrence
Damaged	Return freight collect
Overage per PO, but Packing List is Correct	\$150 per item occurrence
Overage per Packing List / BOL Quantity	Accept: Supplier pays freight
Shortage per Packing List / BOL Quantity	Deducted from invoice
Short-dated	\$150 admin fee per item + \$2 per carton
Outdated	\$150 admin fee per item + \$2 per carton
<b>CARTON ISSUES</b>	
Incorrect Case Pack (CSPK) Quantity	\$150 admin fee + \$20 per carton
No ID / Inaccurate ID (Selling Unit UPC, CSPK Qty)	\$150 admin fee + \$2 per carton
<b>EDI</b>	
Purchase Order Non-Compliance	\$50 per purchase order
ASN Non-Compliance	\$50 per purchase order
Invoice Non-Compliance	\$50 per invoice
<b>COMPLIANCE METRICS*</b>	
On-Time Initial Receipt Unit Fill Rate Minimum Monthly % Goal not Achieved	\$350 + \$30 per 1.0% deviation from 96% performance goal
On-Time Purchase Order Arrival Minimum Monthly % Goal not Achieved	\$350 + \$30 per 1.0% deviation from 98% performance goal
On-Time Appointment Minimum Monthly % Goal not Achieved	\$350 + \$30 per 1.0% deviation from 98% performance goal
Failure to Acknowledge PO w/EDI 997 within 24 Hours	\$250 per purchase order
ASN not Received within 24 Hours of Supplier Ship Date/Time	\$250 per purchase order
<p><b>* Compliance Metric Expense Offset Fees are assessed if the Supplier fails to meet the minimum Supplier Compliance performance percentage goals in two <i>consecutive</i> monthly review periods.</b></p>	



## Supplier Compliance Guide

### VII. CODE OF ETHICS AND BUSINESS CONDUCT MANUAL

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# Code of Ethics and Business Conduct

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## Putting Values into Action

To view Rite Aid's Code of Ethics and Business Conduct, select the link below:

[http://www.riteaid.com/www.riteaid.com/w-content/images/company/governance/code\\_of\\_ethics.pdf](http://www.riteaid.com/www.riteaid.com/w-content/images/company/governance/code_of_ethics.pdf)

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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This section outlines important procedures for Rite Aid's import Suppliers. Compliance to these procedures is mandatory. Please take the time and read each section carefully. Any deviations could result in a chargeback or other penalty. Please send copies of this section to all of your Suppliers, as well as keeping a copy on file for easy reference.

### IMPORT DEPARTMENT CONTACTS

Should you have any questions, please contact the Import Department:

Rite Aid  
30 Hunter Lane  
Camp Hill, PA 17011  
Phone: (717) 975-5860  
Fax: (717) 975-5939

### SUPPLIER SET UP FORMS

Rite Aid requires that any Supplier doing business with us must provide our Import department with:

- Rite Aid Supplier application – for new Supplier set-up only
- Rite Aid standard defense and indemnity agreement signed by an officer of the company.
- A certificate of insurance for minimum \$5.0 million coverage of general liability including products liability insurance with a Supplier's endorsement noted on, or attached to, the policy. Certificate must list Rite Aid as an additional insured.
- International Policies of Rite Aid signed by an officer of the company.
- Customs Trade Partnership Against Terrorism (C-TPAT) questionnaire signed by an officer of the company,
- Rite Aid returns agreement with a disposition option chose, signed by an officer of the company with the TradeCard Deduction Agreement attached.
- EDI/B2B Trading Partner Profile. Completed even if you are not EDI capable.
- Written notification that you are registered on the TradeCard platform.

### QUOTATION SHEETS

**The rite aid import quote sheet must be completed in full detail before an item will be considered.**

Rite Aid's quote sheets should be sent directly to the category manager, or, if a buying agent is facilitating the transaction, the quote should be directed to the agent.

- Three original quotes with color photographs and one additional color photograph (labeled with the item number and Supplier) are required. Do not staple or glue photographs to the quote.
- The item description/intended use should answer the following:
  - What the item is used for
  - What the item is made of
  - A composition/cost breakdown is required

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### QUOTATION SHEETS (con't)

- The Harmonized Tariff System (HTS) number/classification should be ten digits and accurate. A composition / cost breakdown, features of the product and intended use of the product must be included to verify the tariff category designation and consequently the applicable rate of duty.
- Ocean freight rates vary according to the country of origin, FOB port and ultimate destination (U.S. east coast/west coast). Freight rates are based upon carton cube and weight. Please supply factual information as Rite Aid will use this to determine an estimated landed cost.
- Product quoted as assortments should so be represented by picture and description. Please make sure assortment color(s) and style(s) are detailed sufficiently on the quote sheet.
- Manufacturer's item number should be furnished on each import quote sheet. Please supply corresponding manufacturer's Universal Product Code (UPC) if available.
- No increase in pricing will be accepted after the quote is received and negotiated.
- Repeat items from previous purchases must have the Rite Aid code/item number filled in.

**The following boxes on the quote sheet are for rite aid use only. Please do not fill in these areas of the quote sheet:**

- WAREHOUSE/QUANTITY/MASTER CASES/TOTAL CUBE/TOTAL \$
- RETAIL INFORMATION AND PREVIOUS SELL THROUGH %

### MERCHANDISE SAMPLES

Merchandise samples are necessary to successfully conduct business in the international market. Failure to provide necessary samples can result in the cancellation of your order.

- All samples shipped to Rite Aid should be shipped "PRE-PAID". Any samples shipped "COLLECT" will not be accepted and any associated charges will be billed back to the Supplier.
- A "sample request" will be issued designating the anticipated number of samples required.
- All samples should be sent within three (3) weeks of receipt of sample request. Samples should be forwarded to:  
Rite Aid  
451 St. Johns Road  
Camp Hill, PA 17011  
Attn: Seasonal Category Manager
- Each sample should be identifiable. Please affix a label to each item with the following information:
  - Supplier Name
  - Supplier Item Number
  - Supplier Item Description
  - Rite Aid Item Number (if repeat)
  - First Cost

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### MERCHANDISE SAMPLES (con't)

- Samples may be used for the following:
  - Planograms
  - Video presentations to field personnel
  - Artwork
  - Advertising
  - Tariff classification
  - Product Selection

### PRODUCT QUALITY AUDIT

As part of our company's commitment to providing Rite Aid customers with safe, high quality merchandise, Rite Aid has implemented an import testing program. This program will be managed by Bureau VERITAS Consumer Products Services, Inc. Testing is required for all merchandise Rite Aid selects to purchase on a direct import basis.

Rite Aid policy requires that all products sold to Rite Aid be in compliance with applicable United States government regulations and industry standards (federal, state and local).

Testing will be required annually for all seasonal products. Additional testing may be required if:

- change in country of origin
- change in manufacturing site
- multiple factories/sites

When submitting items to Bureau VERITAS Consumer Products Services, Inc., Suppliers must request the review to be done in accordance with the Rite Aid Import Testing Program. Incomplete testing done on behalf of the Supplier or manufacturer will not be accepted.

- Samples should be delivered to Bureau VERITAS Consumer Products Services, Inc. in the Rite Aid account name.
- Rite Aid and Bureau VERITAS Consumer Products Services, Inc. will determine which tests are required based on commodity type.
- **Testing charges are for the account of the Supplier/manufacturer. Invoicing and payment arrangements will be managed by Bureau VERITAS Consumer Products Services, Inc.**
- Test results / reports will be forwarded to the Supplier and to Rite Aid.

Satisfactory testing will result in the issuance of a "Certificate of Approved Testing" by Rite Aid. This certification is indicated as a stipulation for payment on the TradeCard platform.

- If testing is not satisfactory, the Supplier and Rite Aid will be notified. If, by chance, any of the products or goods have already been shipped or are in our Distribution Centers or stores, the Supplier shall accept return of all such product at their expense. Compensation to Rite Aid may include ocean freight, duty, broker's fees, drayage and any other costs that our Distribution Centers and/or corporate reverse logistics department may have incurred in processing returned goods.

**Testing will not alleviate defective product claims.**

**\*\*\*\*\*CONTACT YOUR RESPECTIVE RITE AID AGENT REPRESENTATIVE FOR A COMPLETE ADMINISTRATIVE PROCEDURES OVERVIEW\*\*\*\*\***

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### FACTORY AUDITS

Rite Aid Corporation selects and maintains international Suppliers based upon many criteria, including price, quality and location. However, we also consider other factors, most importantly a Supplier's willingness and ability to conduct their operations in full compliance with all applicable laws and regulations of both the country in which they operate and those of the United States.

In addition to complying with applicable laws and regulations, Rite Aid also recognizes a Supplier's responsibility be in compliance with the following requirements:

- *Supply Chain Security*: Suppliers should have a written security plan and regularly evaluate security procedures to protect the international supply chain from unauthorized access.
- *Forced Prison/Child Labor*: Suppliers should be in compliance with applicable labor laws of the country of manufacture or production and should not employ involuntary prison or child labor.
- *Health and Safety*: Suppliers should provide a safe and healthy work environment in accordance with applicable laws of the country of manufacture or production.
- *Discrimination*: Suppliers should employ workers based on their ability to do the job, not on the basis of cultural beliefs or racial background.
- *Disciplinary Practices*: Suppliers should not use corporal punishment or any other forms of mental or physical cruelty.
- *Compensation*: Supplier should compensate workers fairly and provide wages and benefits that are in compliance with applicable labor laws of the country of manufacture or production.

Rite Aid views these requirements very seriously and the satisfaction of your obligation with respect to them is essential to establishing and maintaining a business relationship between our two companies. Rite Aid reserves the right to randomly audit our Suppliers' factories and/or warehouses to insure compliance with the requirements listed above. These audits may be performed by a third party and we expect your full cooperation with them. Refusal of an audit, failure to cooperate with an audit or failure of an audit may result in the termination of our business relationship.

### ARTWORK AND PACKAGING

It is the responsibility of the Supplier and/or agent to produce product artwork and packaging.

The cost of preparing artwork will be defined during purchase negotiations. Unless otherwise documented, the Supplier and/or agent will be momentarily responsible for artwork.

All expenses (including freight) for packaging proofs, which Rite Aid is to approve, will be absorbed by the Supplier and/or agent.

Packaging requirements/artwork will be advised to the Supplier. The Supplier must confirm packaging requirements/artwork thirty days prior to the required ship date.

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### UPC CODING

**RITE AID HAS IMPLEMENTED SCANNING IN ALL OF ITS STORES. IT IS MANDATORY THAT EACH ITEM BE LABELED WITH A UNIVERSAL PRODUCT CODE (UPC). IN ADDITION, THE UPC MUST CONFORM TO ALL UCC STANDARDS.**

Manufacturer's UPC should be indicated on the Rite Aid Import Quote Sheet.

- Rite Aid will assign a Rite Aid UPC if a manufacturer's UPC is not available.

If an item's weight exceeds twenty five pounds (25 lbs), a detachable UPC code sticker must be applied.

- The sticker should have the same UPC code as the carton on it and should be removable (for the Rite Aid cashier to remove and scan). This is to aid point of sale scanning and improve inventory accuracy.

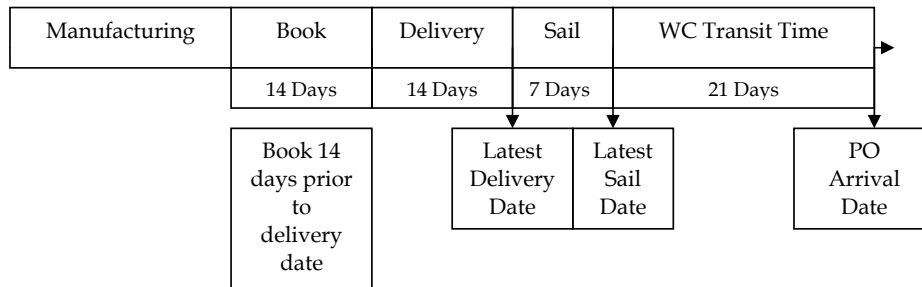
### PURCHASE ORDERS

All Purchase Orders will be issued at/by our Camp Hill Corporate Headquarters Office. Rite Aid will not issue payment for product or services that are not defined on a Rite Aid Purchase Order.

The Purchase Order indicates a "Date to Arrive". This date is defined as the date Rite Aid requires the product to physically be available at the Distribution Center facility. The following is how Rite Aid calculates an expected delivery schedule:

#### Rite Aid West Coast Distribution Facilities Wilsonville, OR; Woodland, CA; Lancaster, CA; Long Beach, CA

- Booking Window (CFS, CY) = Purchase Order Arrival Date minus 43-49 days
- Delivery Window (CFS,CY)= Purchase Order Arrival Date minus 29-42 days
- Sailing Window (CFS,CY) = Purchase Order Arrival Date minus 22-28 days
- Latest Sail Date = Purchase Order Arrival Date minus 21 days
- Transit Time = 21 days



All cargo must be booked no later than 14 days prior to cargo delivery date. At the time of booking, NYK Logistics will advise the designated carrier's cutoff date and time for your shipments. Cargo must be delivered by this date and time to insure it sails within the sailing window.

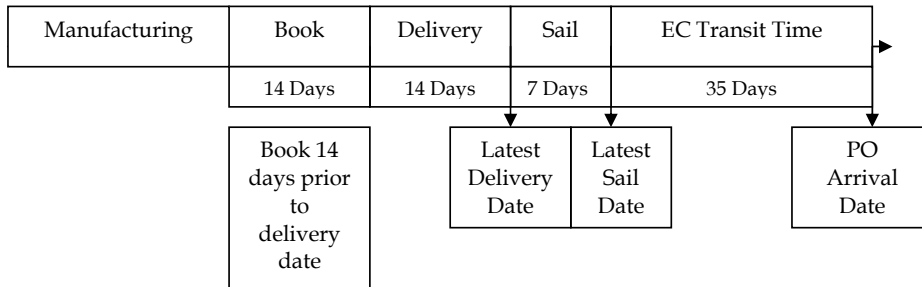
# Supplier Compliance Guide

## VIII. IMPORT MANUAL

### PURCHASE ORDERS (con't)

**Rite Aid East Coast Distribution Facilities**  
**Perryman, MD; Waterford MI; Tuscaloosa, AL; Poca, WV; Rome, NY;**  
**Charlotte, NC; Dayville, CT; Liverpool, NY; Philadelphia, PA; Chesapeake, VA**

- Booking Window (CFS, CY) = Purchase Order Arrival Date minus 57-63 days
- Delivery Window (CFS,CY)= Purchase Order Arrival Date minus 43-56 days
- Sailing Window (CFS,CY) = Purchase Order Arrival Date minus 36-42 days
- Latest Sail Date = Purchase Order Arrival Date minus 35 days
- Transit Time = 35 days



All cargo must be booked no later than 14 days prior to cargo delivery date. At the time of booking, NYK Logistics will advise the designated carrier's cutoff date and time for your shipments. Cargo must be delivered by this date and time to insure it sails within the sailing window.

Partial bookings and/or partial shipments are not permitted without pre approval from the Rite Aid Transportation Department. Early delivery of cargo IS NOT allowed.

Beginning with the 2010 Springbridge, Garden and Outdoor Living programs, purchase orders for seasonal programs will be issued for one east coast DC (DC 16 Chesapeake, VA) and one west coast DC (DC 17 Long Beach, CA). Rite Aid has nominated NYK Logistics to trans-load import freight from these points to each Rite Aid DC. Current Rite Aid DC's will be aligned as follows:

NYK Logistic Location	Port of Entry	Rite Aid DC Serviced	
DC 16 East Deconsolidation Center 3516 S. Military Highway Chesapeake, VA 23323	Norfolk, VA	Perryman, MD Waterford, MI Tuscaloosa, AL Poca, WV Charlotte, NC	Dayville, CT Liverpool, NY Philadelphia, PA Rome, NY
DC 17 West Deconsolidation Center 2417 E. Carson Street Long Beach, CA 90810	Los Angeles, CA Long Beach, CA	Wilsonville, OR Woodland, CA Lancaster, CA	

Bookings, shipments and documentation for these two new distribution centers must meet the requirements of this Supply Chain Guide.

**All Purchase Orders must be confirmed by the manufacturer / beneficiary. This should be accomplished on the TradeCard platform within ten days receipt of the order.**

# Supplier Compliance Guide

## VIII. IMPORT MANUAL



### RITE AID - TRADECARD FACT SHEET

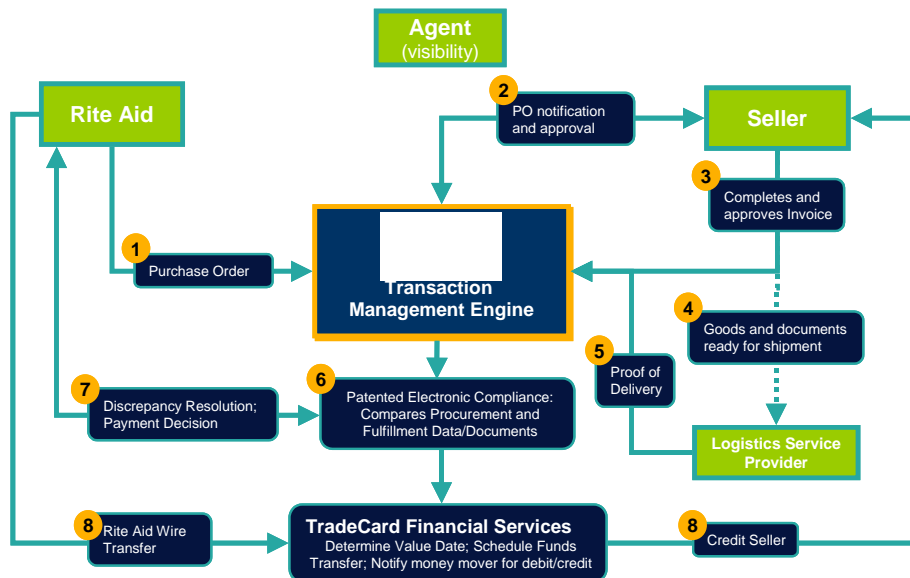


Rite Aid is pleased to announce that TradeCard is used to provide on-line financial process automation and financial settlement services for all upcoming Purchase Orders. TradeCard is a hosted procurement-to-payment solution enabling the electronic purchase, reconciliation and settlement of goods and services. TradeCard allows buyers and sellers to process and settle transactions securely, cost effectively and efficiently online. This method will replace both traditional Letter of Credit and open account approaches to offer your company the following benefits:

- Electronic delivery of Purchase Orders
- Automated creation of Commercial Invoice based on Purchase Order information
- Automated document compliance checking
- Real time visibility and reporting to all parties
- Improved communication among all parties
- Improved data quality across shipping documents
- Improved planning and reporting capabilities
- Payment assurance is available, if desired, for 100% of the value of an order
- Access to a variety of export financing options

Once you have completed the TradeCard registration process, TradeCard will assign a Client Manager to provide detailed training and ongoing support prior to your first transactions. In the meantime, please direct questions to Steve Koch (skoch@riteaid.com). You may also visit [www.tradecard.com](http://www.tradecard.com) for additional information.

### Rite Aid TradeCard Workflow





# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### RITE AID - TRADECARD FACT SHEET (con't)

1. Purchase Orders are initiated by Rite Aid and sent electronically to TradeCard.
2. Sellers will be notified of all new Purchase Orders, and asked to approve online.
3. Sellers create and approve Invoices on TradeCard as goods are readied for shipment.
4. Goods and documents are sent to the Logistics Service Provider (LSP).
5. The Logistics Service Provider will issue a hardcopy Forwarders Cargo Receipt to the Seller once goods have been received and all document requirements have been met. The LSP will then transmit Proof of Delivery (POD) data to TradeCard.
6. TradeCard's automated compliance check will compare the shipment documents (Invoice and POD) to the procurement documents (Purchase Order, including any amendments).
7. After compliance has been run, Rite Aid will be alerted to review any discrepancies and approve or negotiate the Payment Authorization document. Once finalized, payment will be determined based upon the terms of the transactions.
8. Rite Aid wires payment to TradeCard's payment service provider, JPMorgan Chase, who then remits payment to your account at the bank you designate.

### FREQUENTLY ASKED QUESTIONS

#### Who is TradeCard?

TradeCard is a provider of technology and services to automate the financial processes of a global supply chain. The TradeCard solution aligns the documentary and financial requirements of a domestic or international trade transaction with the physical movement of goods, eliminating time-consuming and error-prone manual processes. By streamlining and enhancing the steps necessary for Purchase Order approvals, payment decisions and settlement, TradeCard provides a cost-effective, practical and patented service for financial supply chain management. TradeCard's network of partners allows it to facilitate services such as credit protection and trade finance in many countries.

TradeCard, Inc. is headquartered in New York City with offices in the San Francisco Bay Area, Hong Kong, Brussels, Taipei, Seoul and Tokyo. Visit [www.tradecard.com](http://www.tradecard.com) for more information.

#### What are the minimum technical requirements needed for using TradeCard?

TradeCard members must have access to the World Wide Web and Internet email. Minimum Internet browser requirements are Netscape version 4.07 or higher and Internet Explorer version 4.0 or higher.

#### How do we register on TradeCard?

Completing the TradeCard Membership Application only takes a few minutes and can be easily accomplished online at: [www.tradecard.com](http://www.tradecard.com)

#### What are the terms and conditions of TradeCard membership?

The terms and conditions of TradeCard membership are defined in a set of agreements that all members are required to execute during the application process. Please visit [www.tradecard.com](http://www.tradecard.com) to review and download the appropriate agreements. They include:

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### FREQUENTLY ASKED QUESTIONS (con't)

**TradeCard Membership Agreement** - Describes the terms and conditions of TradeCard membership.

**TradeCard Settlement Services User Agreement** - Describes the terms and conditions of the relationship between TradeCard members, TradeCard Settlement Services, LLC and JP Morgan Chase.

**TradeCard Application Agreement** - Acknowledgement of the accuracy of the information provided in the membership application and acceptance of the terms and conditions of the other referenced agreements. This document must be signed and returned to TradeCard.

**Bank Signature Verification** - This form is necessary to authenticate and authorize payments on the TradeCard system. This document needs to be signed and returned to TradeCard.

**CofaceFactoring Agreement (optional)** - Sets forth the terms upon which Coface provides factoring services to sellers on the TradeCard Network

Please return the original signed registration documents to your local TradeCard office or to the Corporate Headquarter office:

Corporate Headquarters TradeCard, Inc. 75 Maiden Lane, 12 <sup>th</sup> Floor New York, NY 10038 Attn: Member Services Phone: (800) 905-8723 Fax: (212) 405-1801	Asian Pacific Headquarters TradeCard, Inc. Unit 1106, Tower 2 Lippo Centre, 89 Queensway Admiralty, Hong Kong Phone: (852) 2973-0578 Fax: (852) 2973-0199	Taiwan Office TradeCard, Inc. 60, Tun Hwa South Road Section 2, 2F-6 Taipei 106 Taiwan ROC Phone: (886) 2-2702-3000 Fax : (886) 2-2754-2411
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As soon as your application is processed TradeCard will send you a welcome kit with instructions about how to process transactions and access the various services.

### Who initiates a transaction on TradeCard?

Rite Aid will initiate transactions (and amendments) by sending an electronic copy of the finalized Purchase Order to TradeCard. TradeCard will then send you an e-mail with a link to review the Purchase Order for accuracy and approve it on the TradeCard system.

### What documents are necessary for payment to take place?

Your shipment of merchandise will take place as normal. You will be required to create an Invoice with commodity detail on the TradeCard platform. The Logistics Service provider will automatically forward to TradeCard data representing the Proof of Delivery.

### Who makes the payment decision?

After TradeCard's compliance check runs, all transactions that successfully pass compliance will be presented to Rite Aid for payment approval. In the event a discrepancy is identified then a Discrepancy Notice will be generated and both you and Rite Aid will be notified by email. Once any noted discrepancies are resolved the system will immediately trigger payment instructions based upon the terms of the Purchase Order.

### How are payments made?

Rite Aid wires payment to TradeCard's payment service provider, JPMorgan Chase, who then remits payment to your account at the bank you designate.

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### FREQUENTLY ASKED QUESTIONS (con't)

#### **What is TradeCard's role in the financing process?**

TradeCard facilitates the financing request and payment process. TradeCard provides the means for the seller to request financing and allows the financing bank view access to the transaction documentation to assist them in their financing decision. The seller and the financing bank negotiate the terms of their financing arrangement outside of the TradeCard platform and the financing bank will indicate their decision on the on-line finance request. If the bank agrees to finance the transaction, by approving the finance request, TradeCard will facilitate payment directly to the financing bank at time of settlement.

#### **Will credit protection be available for this transaction?**

Yes. TradeCard has arranged for credit protection service through Coface, which can be purchased on a transaction basis. You will be asked if you want coverage at the time you approve the Purchase Order or Invoice on TradeCard and you can monitor your exposure to Rite Aid online in TradeCard.

#### **What tools are used for workflow management?**

Users of TradeCard have online access to a flexible event-driven workflow management engine. The system moves information within and between all parties on each transaction according to their own business rules and provides alerts to pending tasks through e-mail reminders. All parties can track the status of their transaction online, 24 hours a day.

#### **Who do I contact with questions?**

Please contact Steve Koch, Vice President of Category Management at 717-975-5856 or at skoch@riteaid.com.

### COMMERCIAL SHIPPING DOCUMENTATION

#### **It is the responsibility of the supplier to provide the necessary required documentation for lawful import (transport) into the United States of America.**

The TradeCard commercial shipping invoice must include the following information:

- The Seller – Complete name and address
- The Buyer – Complete name and address
- Full Item Description – Name by which item is known, the grade or quality, and the marks, numbers, and symbols under which sold by the seller or manufacturer to the trade in the country of exportation. Description should include what the item is made of (material component breakdown) and what the item is used for.
- Quantity
- Value
- Currency
- Terms of Sale
- Country of Origin
- Manufacturer – Complete name and address
- Solid Wood Packaging Material (SWPM) – Statement that shipments originating, i.e. shipping, Hong Kong or China do not contain any SWPM
- Rite Aid Destination – Statement that all cartons have been marked with the respective destination (city/state) as it appears on the corresponding Purchase Order

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

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### COMMERCIAL SHIPPING DOCUMENTATION (con't)

If your shipment consists of any of the following regulatory merchandise, the appropriate statement must be included in the documents submitted to NYK Logistics. Failure to do so may result in delays when cargo arrives and associated charges, such as storage or demurrage, will be billed back to the Supplier.

- Trademark Agreement
- License Agreement
- Interim Footwear Invoice
- Quota Charge Statement
- Form A, Certificate of Origin
- GSP Declaration (General System of Preference)
- CCIB Certificate (China Commodity Inspection for stoneware lead content)
- TSCA Certificate (Toxic Substance Control Act)
- Impact Resistance Certificate (for glass lenses only)
- FDA Form 2877, including Accession Number
- C.I.T.E.S. (Committee on Internal Trade of Endangered Species (Fish and Wildlife))
- Cost Breakdown watches and clocks (movement, strap/band/bracelet, case \$ battery)
- Country of Origin
- Commodity Clearance issued by Bureau of Fisheries and Aquatic
- Anti-Dumping and Counter-Veiling Duty Statement (ACC/CVD statement)
- Clock/Watch Supplemental Information Form
- FCC form 740 (statement regarding the importance of radio frequency devices capable of causing harmful interference)
- UL (Underwriters Laboratory) Listing for Lighting

### COUNTRY OF ORIGIN MARKINGS

Every article imported into the United States must be marked in a conspicuous place legibly, indelibly and permanently as to the nature of the article permits and in a manner to indicate the country of origin of the article to the ultimate purchaser in the United States.

The general rules of origin currently define the country of origin for a good as the country in which it is manufactured, produced or grown. Further work or material added to the good in another country must affect "substantial transformation" of the good in order to change the country of origin. Substantial transformation means production which results in a new and different good that has a name, character and use different from those of its constituent materials.

The type and size printing "Made in (country of manufacture)" must be **equal to or larger than** that used for the Rite Aid name if both are to be printed on the package.

The country of origin marking and the Rite Aid name and address must be printed in close proximity on the packaging. This will alleviate any assumption by the consumer that the item is a product made in the United States of America.

It is the Supplier's responsibility to provide the correct country of origin markings on Rite Aid product(s), as required by all United States government regulatory agencies.

# Supplier Compliance Guide

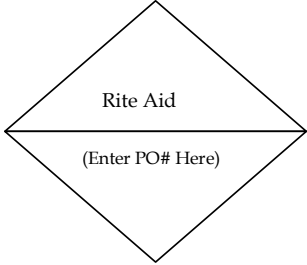
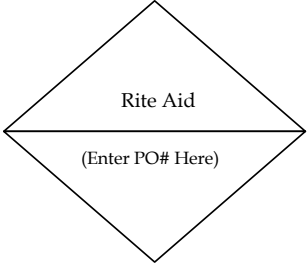
## VIII. IMPORT MANUAL

### TRANS-SHIPMENTS

Trans-shipment of merchandise is defined as the transfer of merchandise from the country of origin to an intermediary country prior to shipment to the destination country for purposes of legally or illegally achieving new country of origin status for the merchandise or to circumvent the foreign trade policies of the country of origin or the country of destination. This practice is illegal. Rite Aid will not knowingly import merchandise that that was trans-shipped through a second or third country in order to evade any laws or regulations of the United States or any laws or regulations of the country(s) of manufacture or exportation.

### CARTON MARKS

**Import suppliers are required to mark all master cartons in the following manner. Printing must be done in block letters and numbers. No hand written letters or numbers.**

FRONT	SIDE
	
RITE AID ITEM # _____	RITE AID ITEM # _____
MFG. # _____	MFG. # _____
DESTINATION _____	DESTINATION _____
CARTON NO. _____ OF _____	MSTR. PACK _____
MADE IN _____	INNER PACK _____
SEASON NAME _____	GROSS WT. (LBS) _____
STORE SET DATE _____	NET WT. (LBS) _____
	LENGTH (IN) _____
	WIDTH (IN) _____
	HEIGHT (IN) _____
	CUBE (FT) _____

- All master packed cartons (including master pack with a single item) must be sealed; glue or staples.
- Non shippable inner packs are not acceptable.
- Inner packs must include item number and description.

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### RITE AID CARGO BOOKING AND SHIPPING INSTRUCTIONS

All shipments must be booked through our nominated freight forwarder, NYK Logistics. A contact list for NYK Logistics origin offices is provided in this manual.

#### Cargo Booking

All bookings for Rite Aid cargo must be booked in NYK Logistics' e-Booking. e-Booking is a web based tool that allows Suppliers to make bookings, create documents and archive shipping information. Suppliers may create a booking by choosing a pre-populated Purchase Order from the database (preferred method) or they may manually create a Purchase Order, if necessary. The following details are necessary to create the booking:

1. Rite Aid Purchase Order number
2. Rite Aid item number
3. Quantity to be shipped
4. Number of cartons to be shipped
5. Cube and weight measurements for each item

New U. S. Customs and Border Protection 10+2 requirements mandate that the following data be supplied 24 hours prior to cargo loading on a vessel. It is the supplier's responsibility to provide accurate information in the NYK eBooking system at the time of booking:

1. Manufacturer name and address
2. Seller name and address
3. Container stuffing location (CY/CY)
4. Stuffer (CY/CY)
5. Country of origin

Failure to provide accurate information may result in U.S. CBP penalties.

Bookings for factory loaded (FCL) shipments must meet the following requirements FOR EACH RITE AID DESTINATION:

Equipment	Minimum Volume	Maximum Cargo Gross Weight
20' Std.	27 cbm	16,326 kgs (36,000 lbs)
40' Std.	57 cbm	18,144 kgs (40,000 lbs)
40' High	68 cbm	19,051 kgs (42,000 lbs)
45' High	78 cbm	19,507 kgs (43,000 lbs)

Suppliers are required to adhere to the above cube and weight restrictions and may not load less than the minimum volume or more than the maximum weight without permission from the Rite Aid Transportation Department. Failure to comply will result in charge backs of any additional costs incurred by Rite Aid to rectify overweight containers upon arrival in the U.S.

**UNDER NO CIRCUMSTANCES SHOULD FREIGHT FOR MORE THAN ONE RITE AID DISTRIBUTION CENTER BE LOADED INTO A CONTAINER BY THE SUPPLIER WITHOUT PRIOR APPROVAL FROM THE RITE AID TRANSPORTATION DEPARTMENT. PRIOR APPROVAL IS ALSO REQUIRED FOR 20' SUPPLIER LOADED CONTAINERS.**

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### RITE AID CARGO BOOKING AND SHIPPING INSTRUCTIONS (con't)

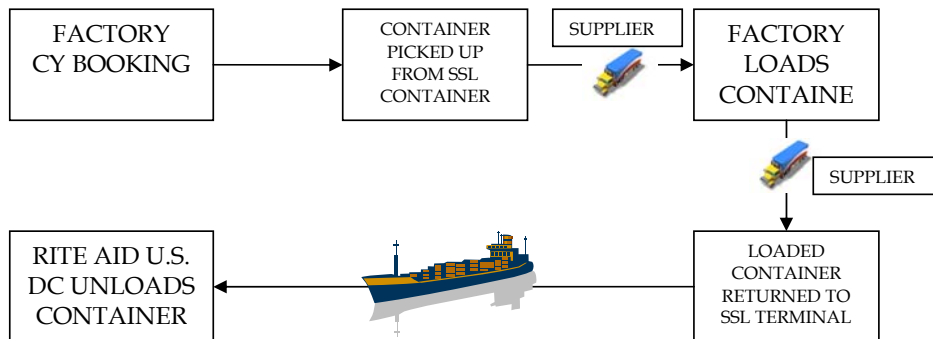
If a Supplier does not have sufficient quantity for a factory load, the cargo must be booked as a CFS shipment and delivered to NYK's CFS warehouse for consolidation with other Rite Aid freight. All CFS receiving charges are for the account of the Supplier.

Within 24 hours (1 business day) after receiving the booking from the Supplier, the Shipping Order (S/O) will be released. If a discrepancy exists between the Supplier's S/O information and Rite Aid's Purchase Order information, the S/O will be released within 24 hours after all discrepancies have been resolved.

Suppliers are to book shipments within the booking window calculated from the Purchase Order Arrival date. With the seven day sailing window in mind, CFS freight should be delivered in week one of the delivery window so that there is time for NYK Logistics to consolidate the goods with other Rite Aid cargo arriving that week. If the booking is not made within this window, equipment and/or space on the vessel may not be available. The Supplier will be held accountable for not meeting the shipping window if the cargo booking window has not been met.

#### Cargo Delivery

**CY Bookings** – If the Supplier has a full container load for a single Rite Aid Distribution Center, they may make a CY booking and request to load the containers at the factory. If approved, the Supplier is responsible for picking up the empty container from the carrier's terminal, loading it and delivering the loaded container back to the carrier's terminal. NYK Logistics will supply the Supplier with the information to pick up and deliver the container, including the carriers cutoff date and time.



Before loading any container, the Supplier must conduct a security inspection that is compliant with Rite Aid C-TPAT requirements in order to verify the physical integrity of the container prior to loading. All Supplier loaded containers must be sealed with the high security seal provided by the steamship line at the Supplier's premises before the container is transported to the CY location. The seal number must be recorded on the documentation provided to NYK Logistics. Any change in the original seal number must be communicated to NYK Logistics as soon as possible. In the case of shipments from China, the container must be sealed by the Supplier, but the seal may be broken and re-sealed by China Customs.

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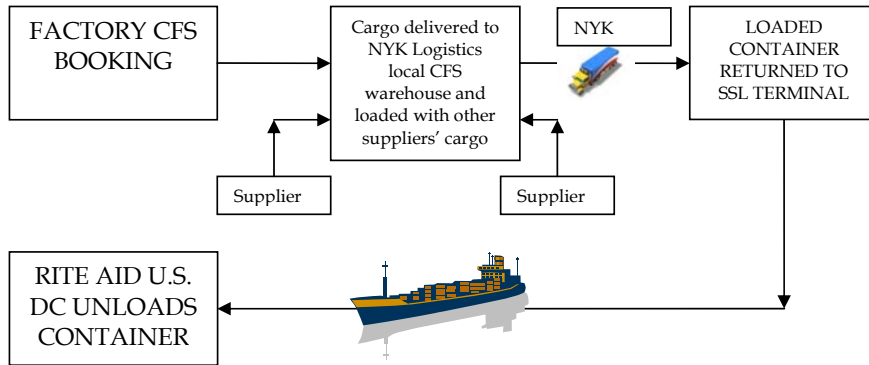
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### RITE AID CARGO BOOKING AND SHIPPING INSTRUCTIONS

#### Cargo Delivery (con't)

**CFS Bookings** – If the Supplier does not have sufficient cargo to make full container loads to a Rite Aid Distribution Center, freight must be delivered to NYK Logistics' warehouse, who will arrange for shipment to the Rite Aid Distribution Center. It is the Supplier's responsibility to deliver cargo to the NYK Logistics CFS warehouse. Upon arrival the cargo will be unloaded, sorted, counted and checked for damage. Cargo delivered in poor condition (wet/damaged/open) will be rejected by NYK and cargo will require remediation and re-delivery by the Supplier.



#### Documentation

Three (3) complete sets of shipping documents must be presented to NYK Logistics **within three (3) business days of vessel departure**. The Packing List (PL), Container Load Results (CLR) and Forwarder Cargo Receipt (FCR) draft are required to be completed in e-Booking. Upon receipt of freight, receipt of all required documents and receipt of payment for origin charges, a FCR will be issued electronically from NYK Logistics to TradeCard. The FCR is a required document for payment on the TradeCard platform. NYK Logistics will collect any other necessary documents from the carrier or other 3PL and will forward the complete set of documents to the appropriate customs broker in the U.S. for entry.



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### CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM (C-TPAT)

As a certified member of Customs-Trade Partnership Against Terrorism, or C-TPAT, Rite Aid has agreed to work with U.S. Customs and Border Protection to ensure the integrity of our supply chain and to communicate security guidelines to all of our business partners within our supply chain. Rite Aid requires all of our foreign manufactures to join forces with us in order to achieve a secure international supply chain. By focusing on the physical security of the purchase, production and transportation of imported good, we can achieve this goal. Rite Aid is asking all of our Suppliers to review the Rite Aid C-TPAT Business Partner Requirements below and agree to develop and implement a verifiable, documented program to enhance security throughout your supply chain. If you do not actually control a production facility, warehouse, or transportation entity, you must agree to communicate the requirements below to the service provider(s). Where practical, the relationship should be conditioned upon the acceptance and implementation of these guidelines

In conjunction with this, Rite Aid will begin a factory audit program which will include a C-TPAT security audit as well as a social compliance audit. We expect each of our Suppliers to act in accordance with the requirements of these audits and to comply with any factory inspection request from our third party auditors.

### RITE AID C-TPAT BUSINESS PARTNER REQUIREMENTS

#### Security Procedures

Rite Aid Corporation requires all business partners to demonstrate that they are meeting C-TPAT security criteria via the completion of a C-TPAT security questionnaire, signed by an officer of your company. Based upon a documented risk assessment process, non-C-TPAT eligible business partners are subject to verification of compliance with C-TPAT security criteria by the importer. Rite Aid reserves the right to visit or have a contracted third party visit foreign Supplier facilities.

#### Point of Origin

Rite Aid business partners must develop security processes and procedures consistent with the C-TPAT security criteria to enhance the integrity of shipments at point of origin. Periodic reviews of business partners' processes and facilities will be conducted by Rite Aid in order to ensure that these processes, procedures and facility standards are consistent with the security standards required be Rite Aid.

#### Participation/Certification in Foreign Customs Administrations Supply Chain Security Programs

Current and prospective business partners who have obtained a certification in a supply chain security program administered by foreign Customs Administrations are required to indicate their status of participation to Rite Aid.

#### Container Security

Container integrity must be maintained to protect against the introduction of unauthorized material and/or persons. At point of stuffing, procedures must be in place to properly seal and maintain the integrity of the shipping containers. A high security seal must be affixed to all loaded containers bound for the U.S. All seals must meet or exceed the current PAS ISO 17712 standards for high security seals.

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### RITE AID C-TPAT BUSINESS PARTNER REQUIREMENTS (con't)

#### **Container Inspection**

Procedures must be in place to verify the physical integrity of the container structure prior to stuffing, to include the reliability of the locking mechanisms of the doors. A seven-point inspection process **must be performed** for all containers:

- Front wall
- Left side
- Right side
- Floor
- Ceiling/Roof
- Inside/Outside doors
- Outside/Undercarriage

#### **Container Seals**

Written procedures must stipulate how seals are to be controlled and affixed to loaded containers - to include procedures for recognizing and reporting compromised seals and/or containers to US Customs and Border Protection or the appropriate foreign authority. Only designated employees should distribute container seals for integrity purposes.

#### **Container Storage**

Containers must be stored in a secure area to prevent unauthorized access and/or manipulation. Procedures must be in place for reporting and neutralizing unauthorized entry into containers or container storage areas.

#### **Physical Access Controls**

Access controls prevent unauthorized entry to facilities, maintain control of employees and visitors, and protect company assets. Access controls must include the positive identification of all employees, visitors, and Suppliers at all points of entry.

#### **Employees**

An employee identification system must be in place for positive identification and access control purposes. Employees should only be given access to those secure areas needed for the performance of their duties. Company management or security personnel must adequately control the issuance and removal of employee, visitor and Supplier identification badges. Procedures for the issuance, removal and changing of access devices (e.g. keys, key cards, etc.) must be documented.

#### **Visitors**

Visitors must present photo identification for documentation purposes upon arrival. All visitors should be escorted and visibly display temporary identification.

#### **Deliveries (including mail)**

Proper Supplier ID and/or photo identification must be presented for documentation purposes upon arrival by all Suppliers. Arriving packages and mail should be periodically screened before being disseminated.

#### **Challenging and Removing Unauthorized Persons**

Procedures must be in place to identify, challenge and address unauthorized/unidentified persons.

#### **Personnel Security**

Processes must be in place to screen prospective employees and to periodically check current employees.

#### **Pre-Employment Verification**

Application information, such as employment history and references must be verified prior to employment.

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### RITE AID C-TPAT BUSINESS PARTNER REQUIREMENTS (con't)

#### **Background Checks / Investigations**

Consistent with foreign, federal, state, and local regulations, background checks and investigations should be conducted for prospective employees. Once employed, periodic checks and reinvestigations should be performed based on cause, and/or the sensitivity of the employee's position.

#### **Personnel Termination Procedures**

Companies must have procedures in place to remove identification, facility, and system access for terminated employees.

#### **Procedural Security**

Security measures must be in place to ensure the integrity and security of processes relevant to the transportation, handling, and storage of cargo in the supply chain.

#### **Documentation Processing**

Procedures must be in place to ensure that all information used in the clearing of merchandise/cargo, is legible, complete, accurate, and protected against the exchange, loss or introduction of erroneous information. Documentation control must include safeguarding computer access and information.

#### **Manifesting Procedures**

To help ensure the integrity of cargo received from abroad, procedures must be in place to ensure that information received from business partners is reported accurately and timely.

#### **Shipping & Receiving**

Arriving cargo should be reconciled against information on the cargo manifest. The cargo should be accurately described, and the weights, labels, marks and piece count indicated and verified. Departing cargo should be verified against purchase or delivery orders. Drivers delivering or receiving cargo must be positively identified before cargo is received or released.

#### **Cargo Discrepancies**

All shortages, overages, and other significant discrepancies or anomalies must be resolved and/or investigated appropriately. Customs and/or other appropriate law enforcement agencies must be notified if illegal or suspicious activities are detected - as appropriate.

#### **Security Training and Threat Awareness**

A threat awareness program should be established and maintained by security personnel to recognize and foster awareness of the threat posed by terrorists at each point in the supply chain. Employees must be made aware of the procedures the company has in place to address a situation and how to report it. Additional training should be provided to employees in the shipping and receiving areas, as well as those receiving and opening mail.

Additionally, specific training should be offered to assist employees in maintaining cargo integrity, recognizing internal conspiracies, and protecting access controls. These programs should offer incentives for active employee participation.

#### **Physical Security**

Cargo handling and storage facilities in domestic and foreign locations must have physical barriers and deterrents that guard against unauthorized access. Importers should incorporate the following C-TPAT physical security criteria throughout their supply chains as applicable.

#### **Fencing**

Perimeter fencing should enclose the areas around cargo handling and storage facilities. Interior fencing within a cargo handling structure should be used to segregate domestic, international, high value, and hazardous cargo. All fencing must be regularly inspected for integrity and damage.

#### **Gates and Gate Houses**

Gates through which vehicles and/or personnel enter or exit must be manned and/or monitored. The number of gates should be kept to the minimum necessary for proper access and safety.

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### RITE AID C-TPAT BUSINESS PARTNER REQUIREMENTS (con't)

#### **Parking**

Private passenger vehicles should be prohibited from parking in or adjacent to cargo handling and storage areas.

#### **Building Structure**

Buildings must be constructed of materials that resist unlawful entry. The integrity of structures must be maintained by periodic inspection and repair.

#### **Locking Devices and Key Controls**

All external and internal windows, gates and fences must be secured with locking devices.

Management or security personnel must control the issuance of all locks and keys.

#### **Lighting**

Adequate lighting must be provided inside and outside the facility including the following areas: entrances and exits, cargo handling and storage areas, fence lines and parking areas.

#### **Alarms Systems & Video Surveillance Cameras**

Alarm systems and video surveillance cameras should be utilized to monitor premises and prevent unauthorized access to cargo handling and storage areas.

#### **Information Technology Security**

##### **Password Protection**

Automated systems must use individually assigned accounts that require a periodic change of password. IT security policies, procedures and standards must be in place and provided to employees in the form of training.

##### **Accountability**

A system must be in place to identify the abuse of IT including improper access, tampering or the altering of business data. All system violators must be subject to appropriate disciplinary actions for abuse.

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### NYK Logistics Origin Contact List

Country	Port	Name :	Title :	Phone :	Fax :	Internet Address :
Hong Kong	Hong Kong	Yoji Ohkubo	Senior Manager	852-31290325	852-27362622	yoji_ohkubo@hk.nyklogistics.com
		Wei Ting	Manager	852-31290351		wei_ting@hk.nyklogistics.com
		Joey Ng	Sr. Supervisor	852-31290352		joey_ng@hk.nyklogistics.com
		Almen Chan	Supervisor	852-31290277		almen_chan@hk.nyklogistics.com
		Kiff Kwong	Senior Coordinator	852-31290349		kiff_kwong@hk.nyklogistics.com
		Mandy Chan	Clerk	852-31290372		mandy_chan@hk.nyklogistics.com
South China	Yantian, Shenzhen, Chiwan, Shekou,	Benjamin Lee	Assistant Manager	86-755-25838406	86-755-25838413	benjamin_lee@hk.nyklogistics.com
	Huangpu, Shantou.	Sally Zhu	Coordinator	86-755-25838406 Ext 4757	86-755-25838457	sally_zhu@hk.nyklogistics.com
China	Shanghai	Elaine Qin	Manager	86-21-23209761	86-21-63404006	Elaine_qin@cn.nyklogistics.com
		Echo Hou	D.Manager	86-21-23209765	86-21-60806806	echo_hou@cn.nyklogistics.com
		Johnny zhu	Supervisor	86-21-23209768	86-21-60806806	johnny_zhu@cn.nyklogistics.com
		haze Yang	Senior Coordinator	86-21-23209766	86-21-60806806	haze_yang@cn.nyklogistics.com
	Ningbo	Angela Yu	Manager	86-574-87196314	86-574-87197974	angela_yu@cn.nyklogistics.com
		Shelly Xu	Supervisor	86-574-87320836	86-574-87197974	shelly_xu@cn.nyklogistics.com
	Tianjin, Xingang	Ivy Chai	Coordinator	86-574-87320891	86-574-87197974	ivy_chai@cn.nyklogistics.com
		Shirley He	Deputy Manager	86-22-23328260 x 6102	86-22-23328265	shirley_he@cn.nyklogistics.com
		Calla Wang	Senior Coordinator	86-22-23328260 ext.6103	86-22-23328265	calla_wang@cn.nyklogistics.com
	Xiamen	Prince Wang	Coordinator	86-22-23328260 ext.6109	86-22-23328265	Prince_wang@cn.nyklogistics.com
Lydia Chen		D.Manager	86-592-2395192-883	86-592-2395093	lydia_chen@cn.nyklogistics.com	
	Tracy Wu	Coordinator	86-592-2395192-892	86-592-2395093	tracy_wu@cn.nyklogistics.com	
Nanjing	Nickle Zhu	Manager	86-25-84458830	86-25-868161331622	nickle_zhu@cn.nyklogistics.com	
	Felicia Li	Senior Coordinator	86-25-86816130/31/32- 126	86-25-868161331622	felicia_li@cn.nyklogistics.com	
Dalian	Samuel Song	D.Manager	86-411-82798748/49/52	86-411-82795750	samuel_song@cn.nyklogistics.com	
	Niky Liu	S.Clerk	86-411-82798748/49/52	86-411-82795750	Niky_Liu@cn.nyklogistics.com	
	Serlina Xu	Clerk	86-411-82798748/49/52	86-411-82795750	Serlina_Xu@cn.nyklogistics.com	
Qingdao	Lynn Liang	D. Manager	86-532-85028990 x 6201	86-532-85028662	lynn_liang@cn.nyklogistics.com	
	Nicky Wang	Coordinator	86-532-85027000 - 9716	86-532-85028662	nicky_wang@cn.nyklogistics.com	
	Amanda Wang	Coordinator	86-532-85027000 - 9719	86-532-85028662	amanda_wang@cn.nyklogistics.com	
Fuzhou	Tina Guo	Supervisor	86-591-87854485-8008	86-591-87854489	tina_guo@cn.nyklogistics.com	
	Ann Li	Senior Coordinator	86-591-87854485-8001	86-591-87854489	ann_li@cn.nyklogistics.com	
Malaysia	Port Klang, Tanjung Pelepas, Pasir Gudang,	Vanitha	Manager	60-3-31762499 ext 258	60-3-31766036	vanitha@tasco.com.my
	Penang	KH Lim	D.G. Manager	60-4-5099888	60-4-5099888	khlim@tasco.com.my
Thailand	Bangkok, Songhla, Laem Chabang	Wacharee P.	Manager	66-2-634-1400-5	662 634 1406-7	wacharee.p@th.nyklogistics.com
		Pui Pasunon		66-2-634-1400-5	663 634 1406-7	Pasunon.k@th.nyklogistics.com
Taiwan	Keelung, Kaohsiung	Stella Chen	Manager	886-2-2713-2100 ext 27	886-2-2715-0590	stella.chen@mail.tungya.com.tw
Korea	Busan	Harris Kim	Manager	82-2-3891460	82-2-3881014	Harris_Kim@kr.nykline.com
Indonesia	Jakarta, Surabaya, Belawan	Alfon Ririmasse	Alpha Team Leader	62-21-42883374	62-21-42900268	alfon_ririmasse@nwl.co.id
Philippines	Manila	Nancy Braga-Artajo	Manager	632-5273688	632-5279688	nancy_braga@ph.nyklogistics.com
		Grace Manalese	Sr Supervisor	632-5278688	632-5279688	grace_manalese@ph.nyklogistics.com
India	Kochi	Dola Murali	India Manager	0091-44-30914051	91-44-30914027	dola_murali@in.nyklogistics.com
	Chennai	Jayanthi S.	Sr. Executive	91-484-2666396	91-484-2668896	jayanthi_k@in.nyklogistics.com
	Mumbai	Shravan M.	Asst. Manager	91-44-30914045	91-44-30914027	shravan@in.nyklogistics.com
		Jankhana Gala	Assistant Manager	0091-22-30914000	91-22-30914030	jankhana_gala@in.nyklogistics.com
Vietnam	Hochiminh	Thuy Anh	General Manager	848-38224407	848-38224408	thuy_anh@vn.nyklogistics.com
		Thanh Tam	Manager	848-38224407	848-38224408	thanh_tam@vn.nyklogistics.com
	Haiphong	Tran An	Asst. Manager	848-38224407	848-38224408	tran_an@vn.nyklogistics.com
Pakistan	Karachi	Sajjad Ahmed	Asst. Manager	92-42-6664452	92-42-6661883	ahmed_sajjad@pk.nykline.com
Bangladesh	Chittagong	Anis Ud Dowla	Deputy General Manager	880-2-8852703	880-2-8852705	anis_ud_dowla@bd.nykline.com

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### NYK Logistics Office and Warehouse Information

#### Hong Kong Head Office

NYK Logistics (Hong Kong) Limited  
International Network Solutions Division  
17/F., Sun Life Tower,  
15 Canton Road, Harbour City,  
Tsimshatsui, Kowloon, Hong Kong.  
Tel: 852-29561128  
Fax: 852-27365847

#### USA Head Office

NYK Logistics (Americas) Inc.  
International Network Solutions Division  
300 Lighting Way, 4<sup>th</sup> Floor,  
Secaucus, New Jersey 07094  
Tel: 201-865-1702  
Fax: 201-865-1673

ORIGIN	OFFICE	WAREHOUSE
<b>Hong Kong</b>	NYK Logistics (Hong Kong) Limited, INSD 15 Canton Road, Harbour City, Tsimshatsui, Kowloon. Hong Kong Tel : (852) 2956 1128 Fax : (852) 2956 2129	Sagawa Express CFS Co., Ltd. 2/F., Rm 2010-2012 Asian Terminal Centre A, Berth 3, Kwai Chung Container Terminal, Kwai Chung, N.T., Hong Kong Tel : (852) 2481 8169 / 2419 0131
<b>Shenzhen</b>	NYK Logistics (Shenzhen) Limited, INSD 25/F, Excellence Times Square, 4068 Yi Tian Road, Futian District, Shenzhen ZIP Code 518008, China Tel : (86) 755-25838406 Fax : (86) 755-25838413/ 755-25838457	Poly Sagawa Logistics Co., Ltd. c/o Shenzhen Yantian Qinhuai Bonded Warehouse, Side of Yong An Road, 13 Space Zone Yantian Port, Shenzhen Tel : (86) 755-25204800 Fax : (86) 755-25204803
<b>Shanghai</b>	NYK Logistics (China) Co., Ltd. 20/F, Raffles City, No. 268 Xizang Road (Middle) Shanghai, China. Zip Code : 200001 Tel : (86) 21-23209500 Fax : (86) 21-60806806/ 21-60806807	NYK Logistics (China) Co., Ltd. Shanghai Pudong Logistics Centre, No. 402, Lane 2428, Gangcheng Rd., Pudong New Area, Shanghai, Zip Code 200137, China Tel : (86) 21- 138 1744 7278 - Mike Zhang Fax : (86) 21-5197 8119
<b>Tianjin</b>	NYK Logistics (China) Co., Ltd. - Tianjin Branch Room 1208, Tianjin International Building, 75 Nanjing Road, He Ping District, Tianjin, China. Zip Code : 300050 Tel : (86) 22-23328260, 23328261 Fax : (86) 22-23328265	Tianjin Zhenhua International Logistics Transportation Co., Ltd. No. 158, Jingmen BLVD, XINGANG Tianjin, Zhenhua No.2 Logistics Center. Tianjin, China Tel : (86) 22-25762168 Fax : (86) 22-25767098
<b>Qingdao</b>	NYK Logistics (China) Co., Ltd. - Qingdao Branch Rm 203, Area C of Qingdao Fenghe Plaza, 12 Hong Kong Central Road, Qingdao, China. Zip Code : 266071 Tel : (86) 532-85027000 Fax : (86) 532-85028662	QINGDAO OCEAN & GREAT ASIA LOGISTICS CO., LTD. No 101 Qianwan Port Road, Qingdao Economic & Technical Development Zone (600 Meters west to the west gate of Qingdao port in Yello Island), Huang Dao, China Tel : (86) 532-86828687 / 86828688 Fax : (86) 532-86828678
<b>Xiamen</b>	NYK Logistics (China) Co., Ltd. - Xiamen Branch Rm 2305-09, 23rd Floor, Commercial Building Paragon Centre, No. 1 Lianyue Road, Xiamen, Zip Code 361012, China Tel : (86) 592-2395193 Fax : (86) 592-2395093	Xiamen Xiangyu PIL Total Logistics Warehouse Xiangyu F.T.Z., China No. 7, Xiangxing3 RD, China.  (Tel): (86) 592-6031 672 (Fax): (86) 592-6033 338 Xiamen Haichang longdebao logistics Co., Ltd. Office building#1, Southern Logistics Center, Gangnan Road, Haicang, Xiamen, China

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		<p>Zip Code 361024 Tel : (86) 592-6193 299 Fax : (86) 592-6587 990</p>
<b>Fuzhou</b>	<p>NYK Logistics (China) Co., Ltd. – Fuzhou Branch Rm. 2513, Bank of China Building, No. 136 Wusi Road, Fuzhou, ZIP Code 350001, China Tel : (86) 591-87854485 Fax : (86) 591-87854489</p>	<p>Fuzhou Singma container Co., Ltd. 8-5#, Fuzhou Bonded Zone, Mawei, Fuzhou, China Tel : (86) 591-83996972 Fax : (86) 591-83997027</p>
<b>Ningbo</b>	<p>NYK Logistics (China) Co., Ltd - Ningbo Branch Flat B, 12/F., C-1 Fortune Building, No. 828 FuMing Road, JiangDong District Ningbo, Zip Code 315040, China Tel : (86) 574-87196783 Fax : (86) 574-87197974, 87327038</p>	<p>CCL Logistics Centre (Ningbo) Ltd. No. 688 Middle Jिंगgang Road, Beilun, Ningbo, China Zip Code 315800 Tel : (86) 574-8699 5708/52 (Fax): (86) 574-8699 5700</p>
<b>Dalian</b>	<p>NYK Logistics (China) Co., Ltd. - Dalian Branch Rm. 2202 Liaoning Times Building, NO. 7 Gangwan Street, Zhongshan District, Dalian, China. Zip Code : 116001 Tel : (86) 411-82798748 Fax : (86) 411-82798750</p>	<p>Dalian Jilong Logistics Co., Ltd. Da Yao Wan Bay Terminal Area, Dailian, PRC Tel : (86) 411- 62789937 (Fax): (86) 411-62789937</p>
<b>Nanjing</b>	<p>NYK Logistics (China) Co., Ltd. - Nanjing Branch Suite D, 17F Deji Mansion, 188 Changjiang Road, Nanjing, China Zip Code : 210018 Tel : (86) 25-86816130 Fax : (86) 25-86816133</p>	<p>Dalian Jilong Logistics Co., Ltd. Da Yao Wan Bay Terminal Area, Dalian, PRC Tel : (86) 411- 62789937 (Fax): (86) 411-62789937</p>
<b>Vietnam (HoChiMinhCity)</b>	<p>NYK Logistics (Vietnam) Co., Ltd. – Hochiminh Branch Room 701 Saigon Riverside Office Center Building, 2A-4A Ton Duc Thang Street, Dist. 1, Ho Chi Minh City, Vietnam. Tel: 84-8-38224407</p>	<p>NYK LOGISTICS INSD SONG THAN LOGISTICS CENTRE (SLC) LOT#J2, STREET NO. 8,9,10, SONG THAN 1 INDUSTRY ZONE, DI DISTRICT, BINH DUDONG, VIETNAM Tel : 848-8975828 / 826</p>
<b>Korea (Seoul)</b>	<p>NYK Logistics International Network Solutions Division c/o NYK Line (Korea) Co. Ltd. 22 Floor., YonseiJaedan Severance Building 84-11, 5-GA, Namdaemun-Ro, Chung-Gu, Seoul, Zip Code 100-753, South Korea Tel : 82-2-3981460/ 62/ 63/ 64/ 65 Fax : 82-2-3981014</p>	<p>Sebang WooAm CFS/CY 620, Gaman 2-dong, Nam-Ku Busan, Korea Tel : 82-51-6336181 / 182 Fax : 82-51-6336183</p>
<b>Malaysia (Penang)</b>	<p>NYK Logistics International Network Solutions Division c/o Trans-Asia Shipping Corporation Berhad. Room 1441, Lorong Perusahaan Maju 8, Prai Industrial Estate, 13600 Prai Penang, Malaysia Tel : 60-4-5099888 Fax : 60-4-5099888</p>	<p>Kontena Nasional No. 2443, Lorong Perusahaan Satu, Kawasan Perindustrian Perai, Seberang Perai, 13000 Penang, Malaysia. Tel : 60-4-3907310 Fax : 60-4-3905494</p>
<b>Malaysia (Port Klang)</b>	<p>NYK Logistics International Network Solutions Division c/o Trans-Asia Shipping Corporation Berhad. Port Klang Logistics Centre (PKLC) North Klang Straits Industrial Area Lot 22, Lengkungan Sultan Hishamuddin 42000 Port Klang, Selangor Darul Ehsan, Malaysia Tel : 60-3-31762499 / 31766032 Fax : 60-3-31766036</p>	<p>Trans-Asia Shipping Corp. BHD Northport Distripark SDN BHD Warehouse D2 Jalan Parang Pelabuhan Utara 42000 Port Klang Selangor Tel : 60-3-31762499 / 31766032 Tel : 60-3-31-769067 Fax : 60-3-31-766297</p>
<b>Philippines</b>	<p>NYK Logistics (Philippines) Inc G/F, TDG-NYK Harbor Centre Building 1 A.C.Delgado St. Cor. 23rd and 24th Street, Port Area, Manila, Philippines Tel : 63-2-5277057 / 5278688</p>	<p>Orient Freight Warehouse Tabacalera Compound, P Correa St. corner UN Avenue Paco, Manila Tel : 63-2-5360078</p>

## Supplier Compliance Guide

	Fax : 63-2-5279688	
<b>Thailand</b>	<p>NYK Logistics INSD (Thailand) Ltd. 12th Fl., Ocean Insurance Bldg., 163 Surawongse Road., Suriyawongse, Bangrak, Bangkok , Zip Code 10500, Thailand</p> <p>Tel : 66-2-6341400 to 5 Fax : 66-2-6341406 to 7</p>	<p>NYK Distribution Service (Thailand) Co., Ltd. Latkrabang ICD, Module 6(F)., 33/4 Moo 1, Chaokhun Tahan Road, Klongsampravet, Latkrabang, Bangkok 10520, Thailand</p> <p>Tel : 66-2-7379900 Fax : 66-2-7378959</p>
<b>Taiwan (Kaohsiung)</b>	<p>NYK Logistics International Network Solutions Division C/O Tungya Transportation &amp; Terminal Co., Ltd 12<sup>th</sup> FL., No. 201, Tung Hwa North Rd., Taipei, Taiwan</p> <p>Tel : 886-2-27132100 Fax : 886-2-27150590</p>	<p>Asia Pacific Container Terminal Inc. No. 2 Tungya Road Hsiao Kang Dist, Kaohsiung Taiwan</p> <p>Tel : 886-7-8111121</p>
<b>Taiwan (Keelung)</b>	<p>NYK Logistics International Network Solutions Division C/O Tungya Transportation &amp; Terminal Co., Ltd 12<sup>th</sup> FL., No. 201, Tung Hwa North Rd., Taipei, Taiwan</p> <p>Tel : 886-2-27132100 Fax : 886-2-27150590</p>	<p>Tungya Transportation &amp; Terminal Co., Ltd (Yang Mei Station) #292, Huang Dong Road, Yang Mei, Tao Yuan Taiwan</p> <p>Tel : 886-3-4754211</p>
<b>Bangladesh (Chittagong)</b>	<p>NYK Logistics International Network Solutions Division C/O NYK Line (Bangladesh) Ltd. Shahajadi Chamber, 1<sup>st</sup> Floor, 1331/B Sheikh Mujib Road, Agrabad Commercial Area, Chittagong, Bangladesh</p> <p>Tel : 880-31-2524641, 2525391 to 93 Fax : 880-31-2524775</p>	<p>ONS CONTAINER SERVICES LTD. SECTOR-7, PLOT# 74-77 &amp; 64-66, CHITTAGONG EXPORT PROCESSING ZONE, CHITTAGONG K&amp;T LOGISTICS (APPROX 1.5 KM DISTANCE FROM CHITTAGONG PORT)</p>
<b>Indonesia (Jakarta)</b>	<p>PT NYK New Wave Logistics Indonesia Kompleks Ruko Mega Grosir Cempaka Mas, Blok M-35, JL. Let Jend, Suprpto, Cempaka Putih, Jakarta Pusat, Zip Code 10640, Indonesia</p> <p>Tel : 62-21-42883374 Fax: 62-21-42900628</p>	<p>PT. MASAJI KARGOSENTRA TAMA (CFS WAREHOUSE I) JI. KALIBARU BARAT I NO. 3 CILINCING JAKARTA UTARA 14110 INDONESIA</p> <p style="text-align: center;">Tel : 62-21-42883374</p> <p>PT. MASAJI KARGOSENTRA TAMA (CFS WAREHOUSE II) JL. RAYA PELABUHAN POS 9 PELABUHAN TANJUNG PRIOK - JAKARTA</p>
<b>India (Cochin)</b>	<p>NYK Logistics (India) Ltd., INSD XXIV/1157 Naval Road Willingdon Island Cochin, Zip Code 682003, India</p> <p>Tel : 91-484-2666396 to 98, 2666865 Fax : 91-484-2668886</p>	<p>COCHIN PORT CONTAINER FREIGHT STATION WILLINGTON ISLAND, COCHIN 682 003</p>
<b>(Mumbai)</b>	<p>NYK Logistics (India) Ltd., INSD "D" Wing, Second Floor, Gundecha Onclave, Kherani Road, Sakinaka, Andheri (East), Mumbai, Zip Code 400072, India</p> <p>Tel : 91-22-30914050/51, 30914027/29/ 30/31/34/ 35/81 Fax: 91-22-30914090</p>	<p>ULA CONTAINER FREIGHT STATION SECTOR 8, DRONAGIRI, P.O. BOX 5, OPP BHENDKHAL VILLAGE, TALUKA URAN, DIST RAIGAD.</p>
<b>(Chennai)</b>	<p>NYK Logistics (India) Ltd., INSD Krishna Towers. 2nd Floor, No.10, Jawaharlal Nehru Salai, Ekkattuthangal, Chennai, Zip Code 600097, IN</p> <p>Tel : 91-44-30914043 to 45, 51</p>	<p>All Cargo Global Logistics Limited Container Freight Station 913, Thiruvottiyur High Road, Ernavur, Chennai 600 057</p>



# Supplier Compliance Guide

	Fax : 91-44-30914027	
<b>ORIGIN</b>	<b>OFFICE</b>	<b>WAREHOUSE</b>
<b>Pakistan (Karachi)</b>	NYK Logistics International Network Solutions Division c/o NYK Line Pakistan Private Limited D10/1 Main Khaliq-Uz-Zaman Road, Clifton Road, Block-8, Karachi, Pakistan Tel : 92-21-111111695 Fax : 92-21-5871161 or 92-21-5870313	PAK SHAHEEN TIMBER POND, KEMARI KARACHI

## PRODUCT RECEIVED DISCREPANCIES/DEFECTS

We expect all items received in our facility to be in conformity to our Purchase Order and import item quote sheet. Any deviations will result in penalty.

### Incorrect Weight and Cube

Deviations will result in a differential charge back.

### Product Defects

Defects are defined as products that do not meet the standards and/or specifications for the purchased item (non-functional, discoloration, etc.). Each defect will be reviewed on a case-by-case basis and the Supplier will be advised of a proposed resolution.

### Packaging Discrepancies

Discrepancies are defined as non-compliance to packaging and/or artwork specifications (inner/master shipping unit, type face, incorrect coloring). Each discrepancy will be reviewed on a case-by-case basis and the Supplier will be advised of a proposed solution.

### Incorrect or Unscannable Universal Product Code (UPC)

Deviations will result in a monetary penalty equal to the loss at point of sale.

### Incorrect Pre-Price

Deviations will result in a monetary penalty equal to the loss at point of sale.

### Item Cancellation

A Supplier must notify Rite Aid thirty days prior to the required ship date if an item cannot meet the ship date for any reason. If the Supplier does not notify Rite Aid and cancellation is affected, the Supplier will be assessed a penalty at a rate of twenty-five (25) percent of the items first cost.

### Trademark/Copyright/Patent Regulations

Non-compliant product will be returned to the Supplier or destroyed at the Supplier's expense.

The following instances of non-compliance with the rules and requirements of the Rite Aid Import Manual will result in monetary charge backs to the supplier,

### Factory Loading of Overweight Containers

All costs incurred by Rite Aid to transport, reload and deliver the cargo in overweight containers will be billed to the Supplier.

### Underutilization of Supplier Loaded Containers

An underutilization charge of U.S. \$50.00 per cbm will be billed to the Supplier.

# Supplier Compliance Guide

## VIII. IMPORT MANUAL

Printed 8/25/2009

Rite Aid Import Quote Sheet

Rite Aid Item #	0		Repeat Item #		Model Item#	
Item Description		Cookware Set - 7 pcs Stainless Steel				
Vendor ID #	0				Alternate Contact	
Vendor Name	ABC Company				Vendor's Telephone #	1 714 555 1212
Vendor Address	111 Wing On Plaza				Vendor's Fax #	1 714 555 1213
	62 Mody Road, TST East				Vendor's E-mail Address	wendy@abc.com
	Kowloon, Hong Kong					
Vendor's phone #	852 - 2888-8888					
Vendor's Fax #	852 - 2999 -9999					
Vendor Contact	Wendy Chang					

Cost Information					Mfg. Code #	0001234	
		FOB Price *		FOB Price-Consolidate POs		Mfg. UPC Number	0-12345-6789-1
	EC	WC	EC	WC			
First Cost	\$ 5.4000	\$5.4000	\$ 5.2300	\$ 5.2300			
Freight (EC)	\$0.1896	\$0.1135	\$0.1896	\$0.1135			
Duty	\$ 0.1080	\$ 0.1080	\$ 0.1046	\$0.1046			
B/C	\$0.1350	\$0.1350	\$0.1308	\$0.1308			
Misc. 3%	\$0.1620	\$0.1620	\$0.1569	\$0.1569			
E.L.C.	\$5.9946	\$5.919	\$5.8118	\$5.7358			
Freight Rate *	\$ 1.82		\$ 1.09				
HTS # (10 Digits)	7323.93.0030						
% B/C	2.50%						
Binding Ruling	0						
% Of Duty	2.00%						
Ship Point	Yantian						
Country Of Origin	China						
					Composition / Cost Breakdown		
					Stainless Steel	90.00%	
					Glass	10.00%	
						0.00%	
						0.00%	
						0.00%	
						0.00%	
						0.00%	
						0.00%	
					<b>Total =</b>	<b>100.00%</b>	

\* Please Refer To The "Freight Rate Schedule" To Obtain The Correct Freight Rates.

Pcs per Master	Pcs per Inner	Units To Store	
24	4		
			Weight (In Lbs.)
			28
			Cube (In Cu. Ft.)
			2.5

Buyer's Detail - For Rite Aid's Use Only			Intended Use And Special Features,Benefits & Package Size:			
Planned Dist.	E/W _____ W/O _____ E/O _____		with Glass Lik & handles			
Retail \$	0		5.5" Sauce Pan, 7" Sauce Pan, 8" Dutch Oven			
Preprice?	Yes _____ No _____		8" Fry Pan, 1 pc Bastin Spoon, 1 pc Slotter Spoon			
Class # & Name			0			
# In Assortment	1		0			
			Item LxWxH in	4-5-6	Prop65?	0
			Battery Info	0	UL Approve?:	0
			Dinkware OZ	0	Micro/Dish safe?	0

# Supplier Compliance Guide

<p>Vendor's Packaging <u>full Color Box</u></p> <p><b>Art Style:</b>  Rite Aid Art <input type="checkbox"/> Vendor Art <input type="checkbox"/> N/A <input type="checkbox"/></p> <p><b>Packaging Type:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Full Color Box <input type="checkbox"/></td> <td>Header Card <input type="checkbox"/></td> </tr> <tr> <td>Window Box <input type="checkbox"/></td> <td>Backer card <input type="checkbox"/></td> </tr> <tr> <td>Platform box <input type="checkbox"/></td> <td>Insert card <input type="checkbox"/></td> </tr> <tr> <td>Full color label <input type="checkbox"/></td> <td>Blister card <input type="checkbox"/></td> </tr> <tr> <td>Peel off UPC <input type="checkbox"/></td> <td>Tie on card <input type="checkbox"/></td> </tr> <tr> <td>UPC label <input type="checkbox"/></td> <td>PDQ <input type="checkbox"/></td> </tr> <tr> <td>Wrap around label <input type="checkbox"/></td> <td>Clam shell <input type="checkbox"/></td> </tr> <tr> <td>Hang Tag <input type="checkbox"/></td> <td>Poly bag-Printed <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Each in Brown Box <input type="checkbox"/></td> </tr> </table> <p><b>Other:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Assembly required? <input type="checkbox"/></td> </tr> <tr> <td>Complete Item UL approved? <input type="checkbox"/></td> </tr> </table> <p>USE: Indoor <input type="checkbox"/> Indoor/Outdoor <input type="checkbox"/> Outdoor <input type="checkbox"/>  Microwave/Diswasher safe? <input type="checkbox"/></p>	Full Color Box <input type="checkbox"/>	Header Card <input type="checkbox"/>	Window Box <input type="checkbox"/>	Backer card <input type="checkbox"/>	Platform box <input type="checkbox"/>	Insert card <input type="checkbox"/>	Full color label <input type="checkbox"/>	Blister card <input type="checkbox"/>	Peel off UPC <input type="checkbox"/>	Tie on card <input type="checkbox"/>	UPC label <input type="checkbox"/>	PDQ <input type="checkbox"/>	Wrap around label <input type="checkbox"/>	Clam shell <input type="checkbox"/>	Hang Tag <input type="checkbox"/>	Poly bag-Printed <input type="checkbox"/>		Each in Brown Box <input type="checkbox"/>	Assembly required? <input type="checkbox"/>	Complete Item UL approved? <input type="checkbox"/>	<p>Paste photo here.  If you can't paste, go to "insert", "object", "create from file"  Do not type in this sheet</p> <hr/> <p><b>Recommned Packaging/Comments</b></p>
Full Color Box <input type="checkbox"/>	Header Card <input type="checkbox"/>																				
Window Box <input type="checkbox"/>	Backer card <input type="checkbox"/>																				
Platform box <input type="checkbox"/>	Insert card <input type="checkbox"/>																				
Full color label <input type="checkbox"/>	Blister card <input type="checkbox"/>																				
Peel off UPC <input type="checkbox"/>	Tie on card <input type="checkbox"/>																				
UPC label <input type="checkbox"/>	PDQ <input type="checkbox"/>																				
Wrap around label <input type="checkbox"/>	Clam shell <input type="checkbox"/>																				
Hang Tag <input type="checkbox"/>	Poly bag-Printed <input type="checkbox"/>																				
	Each in Brown Box <input type="checkbox"/>																				
Assembly required? <input type="checkbox"/>																					
Complete Item UL approved? <input type="checkbox"/>																					

Consolidate POs Discount

3.15%

\*The "FOB Price" is based on having 12 POs (1 for each DC).

The "FOB Price-Consolidate POs" is based on 2 POs ( 1 East Coast & 1 West Coast); the price should be lower to reflect your savings. POs will be issued with the "FOB Price-Consolidate POs".

**\*\*\*\*\*CONTACT YOUR RESPECTIVE RITE AID AGENT REPRESENTATIVE FOR COMPLETE DIW FORMS AND INSTRUCTIONS \*\*\*\*\***

# Supplier Compliance Guide

## IX. LETTER OF ACKNOWLEDGEMENT

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**Wilson Lester**  
**Senior Vice President**  
**Supply Chain**

**Rite Aid**  
**30 Hunter Lane**  
**Camp Hill, PA 17011**

Dear Valued Supplier Partner,

The Rite Aid Supplier Compliance Guide was established and effective in March 2002 to elevate awareness of critical gaps in the supply chain flow for Rite Aid and our Suppliers. By simply creating an awareness of these key measurements, we will work together to resolve some of the challenges that prevent maximization of customer satisfaction. Initially, our focus is to increase overall line on-time and complete; however, we still have a long way to go to providing timely and accurate shipment and receipt of product, and improving overall Supply Chain efficiency and effectiveness.

As part of Rite Aid's commitment to continued improvement of supply chain performance, we continually review measures highlighting those areas that Rite Aid has determined to be of high priority. Our objective is to share only the most useful indicators of performance, focusing our attention on measurements that will result in the highest achievement standards throughout the Supply Chain. Our expectation is that the Supplier Compliance Guide will provide an opportunity to investigate Supply Chain challenges. Through joint process improvements, Rite Aid is committed to working with our Suppliers, making every effort to continually improve performance.

In your review of the program, please take the time to understand what each metric represents. Please contact the appropriate Compliance Analyst or [vendormgmt@riteaid.com](mailto:vendormgmt@riteaid.com) if you have any questions. Upon complete review of the entire Rite Aid Supplier Compliance Guide, please return this page, signed and dated below, to Rite Aid Corp. office, Attn: Supplier Management Program, 30 Hunter Lane, Harrisburg, PA 17011.

Thank you for your support,

**Wilson Lester**

Supplier Name: \_\_\_\_\_

Supplier Number: \_\_\_\_\_

Supplier Representative (Print Name): \_\_\_\_\_

Supplier Representative (Signature): \_\_\_\_\_

Supplier Representative (Title): \_\_\_\_\_

Date: \_\_\_\_\_