



Supplier Policies & Guidelines

Now including the Simplified Supplier Approach and requirements relating to food safety assessments

December 2, 2024

Supplier Policies & Guidelines

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Supplier Policies & Guidelines

1. Introduction

This UNFI Supplier Policies and Guidelines document (the “**Supplier Policies**”) outlines the expectations and requirements of Suppliers selling products for resale to United Natural Foods, Inc. and its subsidiaries and affiliates (“**UNFI**”) in the United States.

UNFI offers many successful promotional and marketing vehicles to support Supplier’s Products to Customers and Consumers.

If you have any questions regarding any sections of these Supplier Policies, please contact your Supplier Relationship Manager (“**SRM**”) or Category Manager.

The policies outlined and described in these Supplier Policies supersede any conflicting policies submitted by Supplier(s) to UNFI unless such changes have been documented in a supplier agreement, or specific exceptions are approved in writing by an authorized member of Supplier Management.

UNFI reserves the right to amend or modify these Supplier Policies from time to time by communicating modifications and/or amendments on the UNFI Supplier Support Site and SVHarbor.

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2. UNFI National Contact List

** Please include the UPC UNFI item number on all Product-related correspondence.

Matter	Contact Information
ACH Setup	For Products supplied to Natural DCs : APVendorMaster@unfi.com For Products supplied to Conventional DCs : APACHSetup@unfi.com
Advertising Agreement Questions	Adagreements@unfi.com
Albert's Organics (backup requests, payment inquiries, deductions disputes)	apadmin@unfi.com
Deductions-related Queries and Requests for Backup	For Products supplied to Natural DCs : deductionsbackup@unfi.com . For Products supplied to Conventional DCs : Open a deductions query in SVHarbor ePASS. To update and/or add to your list of recipients for deductions backup, please reach out to APVendorMaster@unfi.com .
Deductions Disputes	For Products supplied to Natural DCs . <ul style="list-style-type: none">- Disputes. Send a Deductions Dispute Form to: SupplierDeductionDisputeMgmt@unfi.com.- SAS Deduction Disputes.<ul style="list-style-type: none">o Natural Deductions with SAS and SASW prefix: unficorr@sasrecovery.como Natural Deductions with SASIF prefix: unfifrt@sasrecovery.com For Products supplied to Conventional DCs . Open a deduction dispute in SVHarbor ePASS.
Global Data Sync	UNFI GDSN Landing Page - https://1worldsync.com/unfi UNFI GDSN team email address - DataSync@unfi.com
Invoices – EDI-related Queries	SupplierEDI@unfi.com .

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Invoices – Manual Submission by E-mail	<p>For Products supplied to Natural DCs: UNFIAPInvoices@unfi.com.</p> <p>For Products supplied to Conventional DCs: scan.supplychain@unfi.com.</p>
Insurance – Renewal Certificates	Renewal certificates should be sent by e-mail to: records@unfi.com .
Pack Changes	<p>All questions should be directed to supplierpackchanges@unfi.com.</p> <p>Note that all UPC changes now require a recode including changes to the Master Case GTIN.</p>
Planogram Product Photos	<p>Email to retailimageservice@unfi.com</p> <p>Or send CD to: United Natural Foods Attn: Image Coordinator 260 Lake Road Dayville, CT 06241</p>
Product Images and Information Updates	<p>Email hi-res Product photos to: photography@UNFI.com</p> <p>Email ingredients and nutritional information to: Prodinfo@unfi.com</p>
Product Recalls	recalls@unfi.com
Publication Questions	Ads@unfi.com
Reclamations – related Queries	Reclamation@UNFI.com
Remit Address Changes	<p>Natural DCs - APVendorMaster@unfi.com</p> <p>Conventional DCs - APACHSetup@unfi.com</p>
Supplier Diversity Program	supplierdiversity@unfi.com .
SVHarbor Access Requests and Technical Support	<p>PortalSupport@unfi.com</p> <p>If you don't have access to SVHarbor, but need an ePass created, e-mail: VendorCorrespondence@unfi.com.</p>
Tony's Fine Foods (backup requests, payment inquiries, deductions disputes)	<p>Requests can be made through the vendor portal: https://tffvendorportal.com/ or by e-mailing Accts_Payable@TonysFineFoods.com.</p>

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Turnovers/EDLP's	Email turnover orders to: TurnoversEast@unfi.com TurnoversWest@unfi.com Email EDLP to: EDLPEast@unfi.com EDLPWest@unfi.com
UNFI Canada (backup requests, payment inquiries, deductions disputes)	Canadasupplierenquiries@unfi.com

For more information, general Supplier support and current UNFI forms, please visit the UNFI Supplier Site or SVHarbor, as applicable.

3. Definitions

Throughout these Supplier Policies, capitalized terms are defined as follows:

Category Manager	The retail merchandiser/ category manager assigned to a Supplier.
Consumer	Any entity or person who buys from UNFI's Customer.
Customer	Any entity that purchases Products from UNFI.
Conventional DC	A DC used for the sale of conventional channel Products
DC	A UNFI distribution center.
EDLP	Everyday low pricing.
FOOD SAFETY ASSESSMENT	A food safety questionnaire required to be completed by Suppliers regarding their Products. Based on the findings of such assessment, UNFI may, at times, require additional documentation/ verification and increased insurance coverage from Suppliers.
MCB	Manufacturer charge back i.e. any charge taken against a Supplier's account for Customer discounts and returns.
Natural DC	A DC used for the sale of natural channel Products
Product	Any goods, including, but not limited to foods, perishables, consumables, dry goods, personal care items, nutritional

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	supplements, vitamins, non-food items and pet supplies bought for resale by UNFI.
SVHarbor	The UNFI supplier site for Suppliers that supply Products to Conventional DCs. Located at https://myhome.svharbor.com/content/svpublic/home.html .
SVHarbor ePASS	UNFI utilizes the SVHarbor ePASS (Partner Accounting Self Service) online application for Suppliers supplying to Conventional DCs to address correspondence requests and provide information, such as invoice status, check remittance details, etc. If a Supplier does not utilize ePASS, please contact vendor.correspondence@unfi.com for more information
Simplified Supplier Approach or SSA	The approach implemented by UNFI to simplify the fees charged to Suppliers, waive certain compliance fees when the performance requirements assessed in monthly Supplier Score Cards clear the required “green” threshold, and extend certain reporting benefits to all Suppliers.
Supplier	Any entity that supplies UNFI with Products for resale.
Supplier Relationship Manager or SRM	The UNFI supplier manager assigned to a Supplier.
Supplier Score Card	The monthly scorecard tracking each Supplier’s compliance with UNFI’s performance requirements in relation to (1) appointment violations, (2) load condition violations, (3) service level, (4) costing letters/ invoice surcharges, and (5) late notification fees (each a “ fee bucket ”).
UNFI Supplier Support Site	The UNFI supplier support site for Suppliers that supply Products to Natural DCs. Available at https://unfinc.zendesk.com/home .
Supplier Portal	The Supplier Portal and/ or SVHarbor and/or the Tonys Fine Foods Portal , as applicable.
UPC	Universal Product Code

4. Simplified Supplier Approach

The Simplified Supplier Approach (“**SSA**”) provides Suppliers with access to data & insights and consolidates certain fees into one Simplified Fee (as defined below), waives certain compliance fees.

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A. SCOPE AND ELIGIBILITY.

The Simplified Supplier Approach apply to all purchases of Products by UNFI **except for** (1) Products which are purchased by UNFI Canada, Inc. and intended for the Canadian market; (2) private label Products and Products bearing one of UNFI's owned brands; (3) Products purchased by Conventional DCs for UNFI's Military program; and (4) Products purchased for UNFI's International division, "SVI".

Suppliers with annual purchases by UNFI of less than \$25,000 in the previous four (4) quarters, or who have been supplying to UNFI for less than one (1) year are not eligible to participate in the SSA unless otherwise agreed with UNFI.

Similarly, the SSA shall not automatically be extended to Suppliers who have executed a ClearVue Agreement or Corporate/ ESA Agreement. These Suppliers will maintain their existing benefits under those agreements and will instead be invited to participate in UNFI's Supplier Go-To-Market ("**SGP**") Program.

B. SIMPLIFIED SUPPLIER APPROACH – BENEFITS

In consideration for the Simplified Fee (see below), Suppliers shall receive the following benefits under the Simplified Supplier Approach:

1. Waiver of Certain Fees. UNFI will waive the following fees to minimize line-level deductions:
 - i. Distribution Center Efficiency (DCE) fees;
 - ii. Slotting Fees*;
 - iii. Access fees to SV Harbor, if applicable; and
 - iv. ReposiTrak fees, if applicable.

*Slotting fees for new item set up, activation and/or reactivation only. Slotting fees related to key new Customers and DC onboarding are not included in the waiver.

2. UNFI Insights™ Access. Suppliers are granted access to the UNFI Insights™ platform to obtain certain proprietary reporting in relation to their Products. Suppliers will need to "click accept" the access terms and conditions to first enter into the UNFI Insights™ platform.
3. Waiver of Compliance Fees. Subject to Suppliers meeting the minimum performance requirements – indicated as a "green" threshold in the monthly Supplier Score Card – UNFI shall also waive the compliance fees set forth in Exhibit A (the "**Compliance Fees**").

UNFI reserves the right to add, delete, or modify the foregoing benefits with comparable benefits in response to industry trends, market conditions and/or other factors as determined by UNFI in its reasonable discretion.

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UNFI additionally reserves the right to terminate a supplier's benefits under the SSA, should that supplier materially or persistently breach its obligations under its supplier agreement with UNFI or the terms and conditions of access to the UNFI Insights™ platform.

C. SCORECARD.

1. Supplier shall receive a monthly scorecard ("**Supplier Scorecard**") tracking Supplier's compliance with UNFI performance requirements in relation to: (1) Appointment violations; (2) Loading condition violations; (3) Service level, (4) Costing letters/ Invoice surcharges; and (5) Other fees (each, a "**fee bucket**" *).
2. If Supplier meets the following minimum performance requirements in the immediately preceding month, Supplier will achieve the "green" threshold in respect of each of the following fee buckets and receive fee waivers for the current month:
 - i. Appointment violations: Five percent (5%) or less violations for Product deliveries received pursuant to a purchase order ("**PO**").
 - ii. Load conditions: Five percent (5%) or less violations or Product deliveries received pursuant to a PO.
 - iii. Costing letters/ Invoice surcharge: Five percent (5%) or less violations for Product deliveries received pursuant to a PO.
 - iv. Service level: 95% or greater fill rate.
 - v. Late notification and late disposition fees: One percent (1%) or less violations for Product delivered received pursuant to a PO.

*UNFI reserves the right to adjust the fee buckets in its reasonable discretion.

3. If a Supplier does not meet any of the foregoing performance requirements for a fee bucket in any month, UNFI will review the thresholds not met with Supplier on a case-by-case basis for exemptions or extenuating circumstances. If, after such review, no extenuating circumstances or exemptions apply, Supplier will be formally warned.

If UNFI is required to issue such a warning to Supplier for three (3) consecutive months (at 30, 60, and 90 days), UNFI will revoke the waiver of the Compliance Fees for the subsequent month.

4. If Supplier subsequently achieves a "green" threshold on a Scorecard in a given month for a specific fee bucket, or as otherwise determined by UNFI, UNFI will reinstate the waiver of the Compliance Fees for the relevant "fee bucket".

D. FEE.

In consideration for the benefits Supplier receives under the SSA, Supplier shall be charged a fee (the "**Simplified Fee**") calculated by UNFI as a percentage of UNFI's total purchases over the preceding four quarters.

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The Simplified Fee is **2.5%** of eligible purchases.

For Natural channel Products, Supplier shall apply the Simplified Fee to the bottom of each invoice submitted to UNFI. For Conventional channel Products, the Simplified Fee shall be deducted by UNFI on a quarterly basis.

5. Supplier Requirements

A. SUPPLIER ONBOARDING

Suppliers will be required to complete and submit certain documents during the onboarding process, depending on the DCs to which Supplier delivers its Products to and Product type. Key documents include, but are not limited to the following:

- A signed supplier agreement.
- Certificate of Insurance for the amounts set out in Section 13 (Insurances).
- Completed New Supplier New Item Form with information on Supplier and Products.
- Freight Form.
- New Store Opening and Reset Program Form. This requires a physical signature.
- Completed & Signed recent W9 Form, or W8 if an international Supplier.
- All applicable certificates (Kosher, Non-GMO, Organic, and/or Fair Trade).
- Distributor Price List and Specification Sheet.
- Copy of latest third-party food safety audit certificate. All Suppliers must adopt and operate in accordance with Good Manufacturing Practices (GMPs).
- Digital files containing legible Product labels, inclusive of the front, back, UPC, and, if applicable, recycling redemption states and values.
- Food Safety Assessment. Additional documents may be required based on Supplier responses.

UNFI does not agree to fill out any credit application of a Supplier during the onboarding process or otherwise.

UNFI will communicate information and updates to the Supplier Policies to Suppliers through the Supplier Support Site/ SV Harbor.

Please direct any questions regarding the onboarding process to your SRM.

B. UNFI SUPPLIER DIVERSITY INITIATIVE

UNFI serves customers across diverse geographies and demographics. To best serve these customers from coast to coast and border to border, we embrace diversity across our business, from our talented associates to the suppliers and vendors we work with to deliver the products and services our Customers are looking for.

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UNFI encourages Suppliers to make good faith, commercially reasonable efforts to utilize minority, women, small business enterprises, disabled, LGBTQ, and other diverse-owned business enterprises in the performance of Supplier's business.

Visit the [UNFI website](https://www.unfi.com/suppliers) for complete information on UNFI's Supplier Diversity Program and to sign up: <https://www.unfi.com/suppliers>.

Upon request, Suppliers agrees to provide UNFI reporting on a quarterly basis on their diversity initiatives.

SUPPLIER FOOD SAFETY ASSESSMENTS

Suppliers may be required to complete a Food Safety Assessment as part of their ongoing distribution relationship with UNFI. Based on the findings of such risk assessment, UNFI may, at times, require additional documentation/ verification and increased insurance coverage from Suppliers.

C. SUPPLIER CHANGES

Suppliers must promptly notify their Supplier Relationship Manager in writing of any material changes at least **90 days** before any such change takes effect. Material changes include:

- Changes to a Supplier's address, Supplier name, banking details or factoring arrangements.
- A Supplier's taxpayer identification ("TIN") number.
- A change of ownership/ acquisition of the Supplier.

Notifications should be sent on Supplier's letterhead and be signed by an authorized representative.

A failure to provide UNFI with timely notification may result in non-compliance fees being assessed on Supplier, and/or payment or shipment delays.

D. SUPPLIER AND VENDOR CODE OF CONDUCT

Suppliers are required to acknowledge the [UNFI Supplier and Vendor Code of Conduct](#) and comply with its terms.

6. Product Requirements

A. NEW PRODUCT SUBMISSION AND SET UP

If using SVHarbor, Suppliers should submit new item forms through the e-New Item in SVHarbor.

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All other Suppliers should submit new item forms through the Supplier Portal. For more information, see the Supplier Support Site [here](#), or contact your SRM.

Suppliers will be charged a per-SKU new item set-up fee for each DC in which items are activated.

No new Products will be accepted until old Products are returned to Supplier, unless otherwise agreed to in writing by UNFI.

B. NEW PRODUCT INTRODUCTORY ALLOWANCES

Suppliers shall support new Product introductions through advertising and promotions, as agreed with UNFI.

C. MINIMUM SALES LEVEL/GUARANTEED SALE

1. **Minimum Sales Level.** All Products, including seasonal, holiday and reactivated Products, but excluding fresh produce and protein products, are subject to a minimum sales level as reasonably determined by UNFI.
2. **Guaranteed Sale of New Products.** UNFI also requires a six (6) month guaranteed sale commitment in respect of new Products (other than fresh produce or protein products) on initial purchase orders for each DC from the date Products are first received by a DC. This includes reactivated Products based on the first slot date into a DC, regardless of whether the Product was previously introduced into another DC.
3. **Remaining Inventory. Supplier will be responsible for all excess, unsold Products in UNFI's inventory that are subject to the minimum sales and guaranteed sale requirements above, as well as all remaining Product in UNFI's inventory at the end of Supplier's distribution relationship with UNFI.** Supplier shall provide UNFI a full refund of unsold Product, accept those Products for return, and arrange for prompt pickup unless an alternative disposition has been agreed in writing with UNFI.
4. Notwithstanding the foregoing, if agreed to in writing by UNFI, Supplier shall use commercially reasonable efforts to move the Product inventory via promotions, marketing, or other mutually agreed upon methods.

D. PRODUCT SPECIFICATION CHANGES

1. Supplier must notify their SRM in writing of any material changes to Product formulations (including UPC, size, or pack), labels, packaging or organic status (as defined in the USDA NOP labeling standards) at least **90 days** before such change takes effect.
2. A failure to provide UNFI with timely notification may result in non-compliance fees being assessed on Supplier, based on the amount of notice given.
3. Any UPC changes requires a recode, including change to the Master Case GTIN. This is needed to ensure customers receive the exact product they expect, and that is consistent with their shelf tags. Please direct questions to supplierpackchanges@unfi.com.
4. Any change to one of the following will require a new UNFI item number:
 - a. Case pack

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- b. Retail/GTIN/Master Case UPC code
 - c. Brand name
 - d. Unit size
 - e. Organic status as defined in the USDA NOP labeling standards
 - f. Product description
 - g. Ingredient change
5. A failure to promptly notify UNFI of any material specification changes that require a UPC change may result in interruptions to the distribution of a Supplier's Products to Customers and may require UNFI to put the distribution of such Product on hold until the UPC code change has been effected and communicated to Customers.
6. Organic Products: Where a Product has never been conspicuously labeled as "100% Organic", "Organic", or "Made With Organic" as defined by the USDA/NOP labeling standards, but the Product now contains fewer or no organic ingredients, or a previous certification representing it included some organic ingredients has now been eliminated, UNFI may change its internal Product code irrespective of whether the Supplier changes the Product's UPC Code. In such a case, UNFI will require the Supplier to immediately create an appropriate Customer notification letter, to be pre-approved by UNFI, to be distributed by UNFI and/or the Supplier, as determined solely by UNFI, to all impacted Customers. If Supplier is designated by UNFI to distribute such communications to the impacted Customers, the Supplier, after timely distributing those communications, shall represent in writing to UNFI that all impacted Customers have been so notified before UNFI will ship the correctly labeled Product.

E. DISCONTINUED PRODUCTS

UNFI works hard to minimize excess inventory at the Customer level and in its DCs. However, if a Customer discontinues a Product, if a Product is underperforming (i.e. not meeting minimum required sales levels), or if a Product has undergone a UPC, size or pack change, UNFI will be entitled to return or dispose of the discontinued Products at the Supplier's expense. In the event of a Product discontinuation, UNFI will:

- a. Provide Supplier with a full count of the remaining Products in inventory along with its landed cost.
- b. Remove Product from inventory and send a notice to the Supplier to arrange for pick up.
- c. Review the anticipated credit amount. If the credit amount exceeds open invoices, all payments will be held until the credit amount is cleared from the account.
- d. Assess a fee to cover additional UNFI labor and administrative costs.
- e. If a Supplier does not make disposition arrangements within fourteen (14) days from notice of a Customer discontinuation or return, or within thirty (30) days for a UNFI Product discontinuation, UNFI will dispose of Products in its discretion and charge the full landed cost of inventory plus disposition fees back to Supplier.

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F. CUSTOMER PRIVATE-LABEL PRODUCTS

1. “**Private-Label Products**” are Products (i) branded with a Customer’s “private-label” brand; (ii) purchased by UNFI exclusively for a Customer; and/or (iii) purchased by UNFI for a Customer where the Customer purchases 70% or more of such Products from any UNFI DC that services the Customer.
2. In the event a Customer ceases to purchase Private-Label Products associated with such Customer for any reason including, without limitation, the termination of UNFI’s agreement with such Customer or a Customer’s bankruptcy, UNFI shall have the right to (i) cancel any outstanding purchase orders for such Private-Label Products; and/or (ii) return to Supplier for a full refund any such Private-Label Products remaining in UNFI’s inventory or returned to UNFI by the Customer.

G. PRODUCT INFORMATION FOR MARKETING PURPOSES

1. To best market Supplier’s Products, and grow digital sales on myUNFI.com for your brand, UNFI requires, and Supplier agrees to provide UNFI with the following information at UNFI’s request:
 - a. A current list of Products offered with corresponding UNFI item numbers, UPCs, descriptions and case packs;
 - b. Product images and attributes;
 - c. Nutritional information; and
 - d. Other advertising and labeling content.
2. Global Data Sync (GDS) is UNFI’s preferred standard for product attributes, including full package information and updates, images, and product dimensions. Suppliers can provide images and other information to UNFI in one of two ways:
 - a. Directly to UNFI via your GDSN connection or through your current GDSN syndication partner; OR
 - b. Through a syndication provider within the GDSN network (i.e. **IX-One**, **Syndigo**, **1WorldSync**).

For more information, or to submit Product information, please visit our [UNFI Product Image Initiative page](#).

3. UNFI shall be entitled to rely upon the accuracy of all such information provided by the Supplier.
4. Where Supplier does not submit the foregoing Product information, in whole or in part, Supplier authorizes UNFI to obtain and use Product information from the GDSN network for a per item charge. In such a case, UNFI shall not be liable for any inaccuracies in the information obtained.
5. Intellectual property: In order for UNFI to market and sell Supplier’s Products, Supplier grants UNFI and its Customers a worldwide, non-exclusive, royalty-free right and license to use

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and sublicense Supplier's Product information and associated intellectual property or proprietary rights including, but not limited to trademarks, advertisements, labels, photographs, images, descriptions, packaging and nutritional content in connection with UNFI's sale, distribution and marketing of Supplier's Products.

H. LEGAL REQUIREMENTS

1. Suppliers must comply with all applicable federal, state and local laws and regulations, including, but not limited to the requirements set out in these Supplier Policies.

2. Pesticides and Product Registration

Supplier is responsible for registering, at its sole cost, any Product that is required by the EPA or any applicable state agency to be registered as pesticides. The Supplier is also responsible for filing any reports related to such registration. An example of such a registration and assessment is the California "Mill Assessment."

3. Dangerous Goods

Suppliers of hazardous materials (or HAZMAT) are required to register with WERCS (Worldwide Environmental Regulatory Compliance Solutions).

Suppliers must also provide UNFI with a safety data sheet for each hazardous material sold or shipped to UNFI.

4. Product Warning Labels

Suppliers must provide all warnings required under California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Section 25249.5 ("**Proposition 65**") and any similar law or regulation requiring a specific warning on any Products.

5. Product Compliance with (PFAS) Laws

Suppliers must comply with all laws concerning the prohibition of sale or distribution of consumer products and packaging or packaging components with the presence of Perfluoroalkyl and Polyfluoroalkyl Substances ("**PFAS**").

6. Disclosure of Supply Chain Information

UNFI may require Suppliers to identify the country of origin, and the specific region of such country, where each of the ingredients, components or parts of Supplier's Product are grown, produced and/or manufactured.

In the event of an actual or contemplated **product recall**, withdrawal or other similar circumstances affecting Supplier's Product (or other products sufficiently similar to Supplier's Product so as to create a reasonable concern on the part of UNFI) and upon

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request from UNFI, Supplier shall promptly identify the direct supplier or source of any of the ingredients, components or parts of Supplier's Product. Supplier further agrees that UNFI may provide such information to its Customers, regulators, inspectors or third-party auditors upon request.

To allow both Supplier and UNFI to be able to definitively trace the source of Products as well as the place and time of their processing, all Products must bear a unique lot or batch number that isolates the processing of Products between sanitation efforts. Products produced in a facility or through a process that does not undergo sanitation must be designated by field and harvest date. Supplier must comply with all applicable Food Safety and Modernization Act (FSMA) regulations, including FSMA 204 concerning food traceability standards requirements.

I. SUPPLIER AUDITS

Upon prior written notice to Supplier, UNFI will have the right to audit, or have a third-party audit any of Supplier's or Supplier's vendors, co-packers, sub-contractors or service providers' facilities related to the Products. In the event of an audit resulting from a food safety issue or recall related to the Products, Supplier agrees to cover UNFI for all costs associated with such audit, and specifically agrees that UNFI may deduct for any and all such costs and expenses for payments owed to UNFI.

7. Payment Terms and Pricing

A. PAYMENT TERMS

1. UNFI's standard payment terms shall be as follows, unless otherwise agreed to by UNFI:
 - i. For all Products (except fresh produce and protein products):

Payment Method	Terms
Check Payment	2% 20 days net 45 days
ACH Payment	2% 25 days net 50 days
Credit Card Payment	2% 10 days net 25 days

- ii. For fresh produce and protein products: as agreed to by the parties, or as required by applicable law.
2. Payment terms for initial invoices are 2% and will be made 60 days after receipt of initial orders and approval from a UNFI Supplier Relationship Manager.

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3. The payment due date on all invoices is calculated from the date: (i) UNFI receives the invoice, (ii) the Supplier's invoice is post-marked; or (iii) UNFI receives the Product at the final DC, whichever is later.
4. Funds are considered received by Supplier (i) when UNFI initiates payment by electronic funds transfer or wire; or (ii) if payment is by check, on the postmark date.

B. DEDUCTIONS

UNFI will pay invoices net of any deductions payable by a Supplier at the time of payment. Supplier will be billed for all amounts that UNFI is unable to deduct within 30 days of their due date. Any such amounts billed by UNFI to Supplier shall be due immediately.

Suppliers supplying Products to Natural DCs will receive e-mails summarizing the Weekly MCB's, PLCs/ CMQs, and reclaim billings from UNFI's IT department when the deductions are generated. For all other deductions, Suppliers will receive an explanation of the deductions from UNFI's Accounts Payable at the time of payment. To request a deductions back up, please e-mail deductionsbackup@unfi.com.

For Suppliers using SVHarbor ePASS (Partner Accounting Self Service), Suppliers can obtain electronic copies of deductions for the previous 12 months through SVHarbor.

Suppliers will have twelve (12) months from the date a deduction is taken by UNFI to dispute such deduction; otherwise, such deductions will be considered final. Any deduction disputes should be directed to SupplierDeductionDisputeMgmt@unfi.com.

C. SPOILS ALLOWANCE

For Suppliers supplying Products to Natural DCs only

Spoils allowances, given off invoice, are intended to address spoils within UNFI DCs only – they do not support credits at the Customer. These spoils allowances, which are typically significantly lower than Customer reclaim credits, are intended to share the expense driven by packaging issues, or Products that go out of code within the DC.

Unless agreed to in writing by UNFI, spoils allowances will not apply to any of Supplier's other obligations, including, without limitation, any minimum/guaranteed sale obligations, or Unacceptable Products.

In the event spoils allowances are not sufficient to cover the actual amount of Products that are damaged or go out of code in the DCs, (i) UNFI will be entitled to take a deduction for the shortfall amounts and (ii) UNFI and Supplier will agree to an upward adjustment for the spoils allowance being provided by Supplier.

D. OFFSETTING

UNFI may offset amounts due to Supplier with amounts due by Supplier to UNFI.

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E. FAVORABLE TERMS

Supplier agrees that all the pricing and promotional terms and conditions offered to UNFI will be at least as favorable as the terms and conditions it offers to any other distributor buying similar Products and volumes. Any more favorable terms that arise between Supplier and any such distributor must automatically be given and applied to UNFI.

F. PRICE CHANGES

1. UNFI requires ninety (90) days' prior written notice (commencing from the date all forms and information are accurately submitted by Supplier) on all price changes, including changes to off-invoice allowance programs (excluding fresh protein, produce and dairy categories, or as otherwise agreed to by UNFI).
2. If the price change is not submitted with the required 90 days' notice, UNFI reserves the right to charge and enforce the PO price, notwithstanding subsequent documentation and invoices reflecting an updated price.
3. Price changes are effective with the UNFI PO order date.
4. UNFI will not accept price changes on Products that are on promotion until after the promotional period ends.
5. In the event of a price decrease, price protection will be provided on all affected Products inventoried by UNFI as of the effective date of that price decrease. **"Price protection"** means a credit for the difference between UNFI's previous invoice price and the new lower invoice price. UNFI requires price protection on all affected Products inventoried by UNFI, as of the effective date of any price decrease.
6. In the event of a price increase, UNFI reserves the right to forward buy Products in quantities exceeding present demand until such time that the price increase takes effect.

8. Purchase Orders

A. PURCHASE ORDERS AND CONFIRMATIONS

UNFI requires a purchase order for all Product shipments. UNFI will communicate all purchase orders for Products electronically. Orders will include quantities. Supplier shall send UNFI written confirmation of each order, including quantity and pricing, within one business day of receipt of the order. UNFI's terms will supersede conflicting terms in Supplier's confirmation.

B. SUBSTITUTIONS OR BACKORDERS

UNFI does not accept substitutions or backorders unless agreed to in writing by UNFI.

C. ORDER CANCELLATION

UNFI reserves the right to immediately cancel all or any part of any purchase order, including promotions: (1) for Product shipments (on the shipment of shorted items) ; (2) if Supplier

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becomes insolvent, files for bankruptcy or in the event of the appointment of a receiver or trustee for Supplier; or (3) if Product was or is to be manufactured, distributed or sold in violation of any federal, state or local law, regulation, ordinance, or administrative order or rule of the United States or any country or territory in which the Product is manufactured or delivered.

D. INVOICES

Please send all invoices via one of the following three options. Note that the options differ for Products delivered to **Natural DCs** or **Conventional DCs**:

Option 1 (*Preferred Method*) – via **Electronic Data Interchange (“EDI”)**. EDI is an electronic confirmation process proven to be efficient and accurate for purchase order and invoice exchange. For Suppliers that are currently not EDI capable, UNFI recommends working with a reputable third party supplier such as [EDICT](#) or [SPS Commerce](#).

For assistance getting set up to bill UNFI via EDI, please contact: SupplierEDI@UNFI.com

Option 2 – **Manual invoices via e-mail**. Invoices should be sent to:

UNFIAPInvoices@unfi.com for Products delivered to Natural DCs.

scan.supplychain@unfi.com for Products delivered to Conventional DCs.

Please attach one invoice per PDF and ensure that each invoice includes the UNFI purchase order number.

Option 3 – **via mail**. For Suppliers who cannot transact through EDI or email invoices, UNFI offers the option to mail invoices to the following address:

UNFI - Accounts Payable
1 Albion Road Suite #101
Lincoln, RI 02865

Sending invoices by mail will result in delayed processing due to time spent in transit as well as additional costs due to postage.

All **allowances** offered “off invoice” must be reflected on the invoice.

E. AUDITS OF INVOICES

UNFI reserves the right to conduct third party audits on payments and invoices, which may result in a deduction after the original payment is made.

These audits may be conducted within twenty-four (24) months of the close of the UNFI fiscal year in which the transaction(s) occurred.

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9. Shipping and Receiving Products

A. SHIPPING AND RECEIVING

Supplier shall comply with the terms of UNFI's Shipping and Handling Policy.

1. Receiving Appointments

- Appointments must be made at least 24 hours in advance through www.myunfi.com, or by email and to the appropriate appointment email address for the DC you are delivering to as set out in the Shipping and Handling Policy.
- All carriers must be on time. Suppliers will be assessed a fee for late or unscheduled loads.

2. Lumper Fees

- Supplier shall use the lumper services contracted by UNFI and will be responsible for the payment of fees related to such services (i.e., breakdown, sorting, segregating, restacking, and/or roll off of full pallets from the delivering trailer).
- If the Supplier/shipper is paying the freight expense, UNFI is not responsible for the lumper charges. If carriers currently deliver both prepaid and collect freight from any DCs, the carrier will need to include the lumper fees on its bills to the Supplier, not to UNFI.

3. Product & Pallet Handling

- All orders must be palletized, shrink-wrapped be on a good quality GMA 4-Way, 40" x 48" pallet, with no Product overhanging on any side of the pallet.
- Products are to be appropriately packaged to limit damage. Unsealed cases must be resealed or taped closed. Damage incurred from poorly packaged products will be subject to supplier chargeback.
- UNFI tier and height (TI/Hi) requirements vary by warehouse based on Product volume and slot size needs. Fees related to the breakdown or re-stacking of Products, or the use of substandard pallets will be the carrier's responsibility on all prepaid shipments, plus any applicable fees.
- Packaging must conform to the freight carrier's requirements and be able to withstand normal hazards of transportation and warehouse storage conditions.
- All corner boards must be 100% cardboard on any load to any DC.
- UNFI may charge a pooled pallet fee for Suppliers using a high volume of pooled pallets.

4. Temperature Controls

- Refrigerated and frozen Products delivered to a UNFI DC must have their temperature requirements clearly stated on the outside of the cases.

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- Refrigerated and frozen products will have their temperatures probed to ensure compliance with the temperature requirements set out in the Shipping and Handling Policy.
 - Each shipment of perishable or frozen Products must have their temperature requirements clearly stated on the outside of the cases and be accompanied with a temperature data recorder showing the time and temperature starting with pre-chilling of the container and ambient temperature maintained during transit.
 - If the temperature of the actual Product exceeds the acceptable temperature limits, or a shipment is not accompanied with a temperature data recorder, UNFI will refuse Supplier's entire shipment of such Product, which may not be re-delivered to UNFI at any time (see Section 12B (Unacceptable Products) below).
5. Carton/ Pallet Guidelines: Scannable Barcodes and Code Dating
- All shipping cases must have scan-able barcodes on the outside of the case. This allows UNFI to maximize the use of our technology for efficient and accurate receiving and product handling.
 - Shipping cases must be identified with the information set out in the Shipping and Handling Policy.
 - Product dating must be consistent with the dating on the retail selling unit.
6. Pallets
- All Products will be palletized on standard GMA (Grocery Manufacturers of America) spec pallets. Anytime multiple SKUs are shipped on a pallet they must be separated by a pallet, or they will be subject to lumber fees.
 - Suppliers managing deliveries into UNFI DCs may participate in a pallet exchange at Supplier's cost (UNFI does not pay for white wood pallets as part of the delivery of Product to UNFI). Pallet exchange is not available for UNFI freight pick-ups of Supplier Products. For more information, see UNFI's Shipping and Handling Policy.
7. Shipping Documentation
- All shipments must be clearly labeled with the DC Name at the top and the UNFI PO number beneath. This placement of the label must comply with UNFI's placarding requirements set out in the Shipping and Handling Policy.
 - All PO shipments delivered to UNFI must be accompanied by two copies of each of the bill of lading and packing slip containing an itemized list of all Products shipped. One copy may be affixed to the pallets, however at least one must be included in receiving paperwork received by the driver. Failure to include this documentation may result in fees being assessed on the Supplier.
8. Detention Charges
- A detention charge may be approved on inbound loads if the requirements set out in the Shipping and Handling Policy are met.

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- Only the UNFI serial numbered detention form is to be used if detention charges have been approved. Forms will be kept secured by receiving clerk to be handed out for use, only when required for an approved charge.
- A Capstone Logistics representative fills out form received by receiving clerk completely and accurately.
- A UNFI supervisor must sign and print name on form approving the listed detention charges.

B. DELIVERY (PREPAID) AND PICKUP (FOB)

1. Timing is of the essence for all deliveries. Deliveries shall be made at the time and place and in such quantities as specified by UNFI's purchase order. Supplier shall pack all Products ordered in a manner suitable for shipment and sufficient to enable the Products to withstand the effects of shipping, including handling conforming to normal industry practices, during loading and unloading.
2. All shipments having the same destination on the same day must be combined and shipped on a single bill of lading, at the same price bracket, including shipments consigned to a freight consolidator.
3. **UNFI Pick up**
 - a. Unless otherwise agreed with UNFI, UNFI will pick up Product at the Supplier's dock. Certain accessorial fees may apply.
 - b. A minimum of ninety (90) days' prior written notice is required for all pick up location changes.
 - c. UNFI schedules loads for pick up at the Supplier's dock according to an agreed upon schedule. If loads are not available for a scheduled pick-up by UNFI or its carrier or if UNFI or its carrier is detained at Supplier's dock, UNFI shall assess additional fees on the Supplier.
 - d. Pick up orders are Subject to Count once received at the DC unless the UNFI driver or third party carrier is permitted on the Supplier's dock and is able to count by pallets.
 - e. Where a Supplier offers a pick-up allowance, a freight/pick-up allowance form may be downloaded from Repositrak or obtained from and submitted to Supplier's SRM, as applicable.
4. **Prepaid Delivery**
 - a. In the alternative, if agreed, Supplier will ship orders FOB destination, standard freight and insurance prepaid. Supplier shall furnish a copy of the bill of lading and a detailed packing list to UNFI at the time of such shipment.
 - b. Supplier must also ensure that an appointment date and time to deliver the Product to UNFI's applicable DC has been scheduled. Failure to do so may result in fines and penalties, which varies by DC in addition to delayed unloading.
 - c. UNFI reserves the right to refuse delivery of any late or unscheduled load.
 - d. Delivery drivers and co-drivers are not allowed on UNFI docks without permission from UNFI. UNFI may, in its sole discretion, invite drivers and/or co-drivers onto a UNFI dock while UNFI verifies temperature readings.

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- e. Supplier is responsible for fees for late or unscheduled deliveries. All fees must be paid by Supplier prior to unloading. No exceptions will be made.

C. TITLE AND RISK OF LOSS

Title to and risk of loss of Products pass to UNFI, free of any encumbrances, on pick-up by UNFI “at Supplier’s dock” or, if applicable, upon delivery to the destination designated by UNFI. All shipments, whether picked up by UNFI or delivered to UNFI, are subject to final inspection and approval by UNFI. Suppliers agree to work in good faith with UNFI to resolve any disputes relating to Product count.

D. SERVICE LEVEL REQUIREMENT/ FILL RATE

1. Supplier shall maintain a 95% fill rate or higher. Failure to meet or exceed the acceptable service level may result in item replacement and discontinuation, or a financial penalty.
2. If UNFI is shorted items on incoming orders and Product subsequently becomes available, Supplier shall promptly notify UNFI, but shall not ship Product unless agreed to in writing by UNFI. A separate PO must be prepared in relation to any shorted Products that are subsequently shipped. Where a Customer no longer requires a Customer demanded Product that Supplier is delayed in shipping to UNFI, UNFI reserves the right to charge back the amount of such Product to Supplier.
3. If, at any time, a Supplier’s fill rate falls below the acceptable service level for two (2) or more consecutive calendar weeks, Supplier shall promptly communicate and agree on a corrective action plan with UNFI. Where Supplier fails to do so, or such corrective action measures are ineffective in achieving the required fill rate, UNFI reserves the right, at its sole discretion to assess a fee on Supplier and to discontinue the Products.

E. OUT OF STOCKS

UNFI expects all Suppliers to promptly notify UNFI when Products will be out of stock or in short supply so that UNFI can forward this information to Customers.

1. Any Product that is not available for purchase by UNFI for four (4) or more weeks is considered to be “long term out of stock”.
2. Supplier must promptly notify UNFI of any such out-of-stock Products by submitting a dated, signed letter on Supplier letterhead to its SRM. The letter must include the following:
 - The brand name, UPC and a description of the affected Product(s)
 - The root cause for the Product(s) being out of stock
 - The estimated time until the out-of-stock issue is resolved

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F. MIS-SHIPS/ OVER-SHIPS

1. If Supplier ships the wrong product or more than the quantity stated in UNFI's PO for any SKU, UNFI will notify Supplier of the Product and inventory count, and Supplier will be responsible for all costs associated with the mis-ship.
2. In the event an over-ship occurs, UNFI may agree to receive the Product above and beyond the purchase order quantity and the supplier will be assessed a fee per PO.
3. Where an over-ship occurs and UNFI declines to receive the Product into inventory, UNFI may, in its sole discretion, store the Product in its DC.
4. If disposition arrangements for the Products are not made within 14 days from notice, UNFI will, in its sole discretion, dispose of Products and charge the full landed cost of inventory plus disposition fees back to Supplier. UNFI assumes no liability for any over-shipments stored in its DC.

G. INVENTORY TRANSFERS

UNFI strives to provide a strong service level to its Customers. If UNFI is unable to secure inventory from a Supplier because a Product is out of stock and UNFI has inventory available in other DCs, UNFI will transfer, or require Supplier to transfer Product to meet Customer service level expectations. Supplier shall be responsible for the cost associated with such transfer.

In addition, UNFI reserves the right to side stream Products to other DCs in its network to provide Customers with a wider assortment of Products at the best price. A fee will be assessed on Suppliers to cover the additional transportation costs for the transfer of its Products.

H. INSPECTION

1. All shipments are subject to UNFI's right of inspection and approval. UNFI shall have the right to reject any Unacceptable Products.
2. UNFI also reserves the right to refuse Products that appear to have been tampered with.

I. CASE SPLITTING

UNFI reserves the right to charge a fee for any grocery items it case splits in its distribution centers to allow for one shelf facing at retail. This does not apply to inner packs or each pick items. UNFI encourages Suppliers to utilize proper case packs acceptable to the retail community instead of requiring case splitting.

10. Marketing and Promotions

A. MARKETING

1. UNFI's marketing programs have been designed to promote Supplier's Products to Customers and to the end Consumer. UNFI's programs build brand awareness, advertise

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promotions and seasonal Products, educate store buyers and target specific channels such as natural/organic retailers, supermarkets and food services.

2. UNFI's expectation is that you promote your Products and collaborate with UNFI to determine the best marketing programs for the long-term growth and success of a Supplier's Product line.
3. Additional information about UNFI's marketing programs is available on SVHarbor/ the Supplier Support Site and through your SRM or RM.
4. UNFI will deduct all UNFI's payments due on advertising invoices from UNFI's payments to Supplier.

B. PROMOTIONAL PLANNING AND EXPECTATIONS

1. UNFI expects Supplier's participation in annual promotional plans in the form of promotional discounting (i.e. off invoice, MCB, or CMAP promotions), preferably by way of quarterly promotions per Product group.
2. UNFI offers some marketing programs that require a Product's performance to be in the top segment of its category. UNFI expects Suppliers to plan promotional spending for a Product to improve its category position and be considered for some of UNFI's top "invitation only" marketing programs that may further increase the sales of the Supplier's Product.
3. UNFI expects Suppliers to submit appropriate documentation for all promotional activities.
4. Excess Product: Where UNFI is unable to purchase Products during a promotional period due to excess inventories of those Products at its DCs, Supplier shall credit UNFI for the difference in price of the current inventory carried and the promotional discount. This will permit UNFI to honor the promotion.
5. Insufficient Product: If UNFI cannot purchase sufficient quantities of Product during a promotional period to cover the quantities shipped at the discount, it will, **on a per DC basis**, require a credit for the difference in the price of the current inventory carried and the promotional discount. This will allow UNFI to honor the promotion. This will be deducted automatically with no prior authorization or notice given and is expected to be honored.
6. If the Supplier is unable to ship the full quantity ordered by UNFI during a promotional period, UNFI shall require a credit by way of deduction to support the promotion for the full amount ordered.
7. Unless agreed to in writing, UNFI will do a deal match within our total distribution network.

C. MANUFACTURER CHARGE BACK ("MCB")

Unless otherwise agreed to with the SRM, UNFI does not accept promotions based solely on MCBs. UNFI calculates MCBs based on UNFI wholesale catalog pricing.

D. EVERYDAY LOW PRICING ("EDLP")

For Suppliers supplying Products to Natural DCs.

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1. EDLPs are Customer specific deals submitted by a Supplier/broker for a minimum of six (6) months. EDLPs submitted for any store that is a member of a Customer's chain will be honored for all members of that Customer's chain.
2. EDLPs must be submitted on the UNFI EDLP ten (10) business days prior to going into effect. EDLPs not timely received for the indicated start date will take effect the day after they are entered into UNFI's system. EDLPs cannot be backdated.
3. EDLPs may either be submitted with a specific end date (e.g., DD/MM/YY) or as "ongoing." For "ongoing" EDLPs, sixty (60) days prior written notice is required to end the EDLP. It is the Supplier's/Supplier's broker's responsibility to inform the Customer of the EDLP end date.
4. Any extensions to an EDLP must be submitted on a new EDLP form with the appropriate lead time.
5. UNFI will not be responsible for tracking, monitoring, or providing performance reporting on any Customer on an EDLP program and will not be responsible for enforcing case minimums or maximums.
6. EDLP discounts shall be submitted as MCB percentage discounts. If there is an off invoice (purchase order allowance) during the EDLP deal period, the off invoice will be backed out of the MCB.

E. TURNOVER POLICIES

For Suppliers supplying Products to Natural DCs.

A turnover order is any one-time deal a Customer has authorized a Supplier or Supplier's broker to submit in writing for the purposes of basic stocking, line extension, promotion, store demonstration, store expansion, new store opening, new Product placement or Product replacement. Only UNFI will determine the UNFI contribution to turnover order deals, if any.

- a. UNFI requires a minimum of two (2) business days to process turnover orders.
- b. All turnover orders must be submitted on the Turnover Form via email and the form must be completed with all information. UNFI will not accept turnover orders via telephone.
- c. Turnover orders will not be back ordered or held for Product availability.
- d. Order quantities on turnover orders should reflect UNFI case pack (unit of issue). Quantities will be entered for the case pack of the product number submitted.
- e. UNFI item code numbers and store account numbers must be on all turnover orders.
- f. A four-week lead time is required for ad items, demo Products, or holiday stock.
- g. All promotional items must be shipped within the published dates specified on the front cover of UNFI's Monthly Specials Book.
- h. A separate Turnover Form is required for each ship date and each Customer.

F. PRODUCT SAMPLES POLICY

In limited circumstances, UNFI may pull Product samples from its inventory to introduce Supplier's Product(s) to select Customers that do not currently stock the Product(s) or to

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photograph the Product(s) for use in UNFI publications. Such Product samples will be processed as a chargeback or MCB at the regular wholesale price.

G. SALES SUPPORT

Upon UNFI request and at no additional cost to UNFI, Supplier will provide reasonable sales support for Products. The level and type of support will be mutually agreed in writing.

11. Customer Requirements

A. OPENING ORDERS AND CUSTOMER PLACEMENTS

Customers may request complimentary Product support for new Products or stores. Where Supplier agrees to provide such support, the cost of the free fills will be passed through UNFI to the Supplier at the wholesale price.

B. RECLAMATIONS AND SWELLS ALLOWANCE

1. Subject to 4 below, Suppliers will be charged by way of deduction for the reclamation costs of any Unacceptable Products for which UNFI allows a Customer a refund or credit, including, but not limited to Consumer returns, shelf worn Products or Products that are unsalable for other reasons.
2. If a Supplier's Products are otherwise sold to Customers that use reclamation programs, Supplier will be subject to the Customer's reclamation deductions, over and above any off-invoice spoils allowance given to UNFI on purchases.
3. Reclamation charges include programs operated by Customers, by third parties on behalf of Customers, and where Customers ask UNFI to operate such reclamation programs or provide administrative support. Supplier is required to cover 100% of reclamation costs incurred by UNFI for reclamation costs from Customers. Such charges are deducted from UNFI by Customers and will be passed through directly to Suppliers in the form of a deduction.
4. For Suppliers supplying Products to Conventional DCs only: Any swells allowance must be approved in writing by UNFI in accordance with the Unsalable Product Policy. Where a swells allowance has been agreed to, the allowance will either be charged back to the Supplier off invoice or on a periodic basis. For a current copy of the Unsalable Product Policy and reclamation rates please e-mail Reclamation@UNFI.com.

C. RESETS AND OTHER RETAIL SERVICES

Suppliers are required to cover the costs of Customers store resets and other retail services UNFI performs to promote Suppliers' Products.

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Where UNFI engages a third party and/or UNFI associates to carry out a homestore program, category update, full store reset, or other merchandising services at the request of the Customer, UNFI may deduct the proportional cost of such labor and associated administrative costs from Suppliers whose Products are included in the categories being reset at the store level.

D. ADMINISTRATIVE FEES FOR BILLINGS BETWEEN SUPPLIER AND CUSTOMER

Our Customers may elect to engage UNFI to process billings for various programs, many of which are directly negotiated and determined by the Supplier and the Customer. UNFI incurs significant administrative expenses in processing such billings, depending on the scope of the activity and the efficiency of the billing from the Customer. UNFI also acts as a “bank” in that the Customer automatically deducts amounts owed from UNFI, while payment from the participating Supplier typically lags. As a result, UNFI will charge participating Suppliers certain administrative fees depending on the specific activity.

Suppliers have the option to manage and process these financial and/or marketing transactions directly with the Customer and avoid any UNFI administrative fees and delays in being billed by the Customer through UNFI.

12. Quality Standards

A. QUALITY ASSURANCE

Supplier shall adopt and operate in accordance with good manufacturing practices (GMPs) and ensure that co-packers manufacturing Products do the same. Products must meet either United States Department of Agriculture (“**USDA**”) or Perishable Agricultural Commodities Act (“**PACA**”) guidelines for quality and condition defects.

B. COMPLIANCE WITH FOOD SAFETY LAWS

1. UNFI expects its Suppliers to meet or exceed all applicable federal, state and local laws, rules and regulations regarding labelling and food safety and quality.
2. If selling food to UNFI, Suppliers are required to conduct an independent, third-party food safety audit at least annually, provide the certificate and audit report to UNFI, and notify UNFI immediately of any certification status change. Any exceptions to this requirement must be approved by UNFI.
3. Supplier must further notify UNFI immediately of any abnormal laboratory results, third party food safety and/or product safety or sanitation audits or analyses that indicate pathogens which would require a recall in accordance with Section 12 (Unacceptable Product).
4. Supplier must also inform UNFI immediately of any non-routine inquiry, investigation or inspection by any federal, state or local governmental agency in connection with Supplier’s facilities or the Products and shall provide UNFI with a copy of any reports related thereto.

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5. Supplier shall promptly notify UNFI of any suspension of registration, or of any change to Supplier's PACA or FDA facility registration, or its USDA FSIS Establishment Numbers.

C. ORGANIC, FAIR TRADE, KOSHER AND NON-GMO CERTIFICATIONS

1. Suppliers must provide current organic, kosher, non-gmo and/or fair-trade certification to UNFI on an annual basis for their Products to be marketed and/or labelled as such.
2. All certificates should be sent to foodsafetycertificates@unfi.com noting the Supplier name and UPC number or uploaded to Repositrak, as applicable.

D. DATE CODES

1. UNFI requires that all Products (other than fresh produce and protein products) be identified with an open coded shelf life or "use by" date, which must appear on the Product and be printed on the outside of each shipping case. UNFI reserves the right to accept Products that do not adhere to this requirement, however in all such cases Supplier must provide the actual expiration date, by Product, on the packing slip and/or bill of lading.
2. Shelf life of all Products must be at least 75% of the production shelf life at the time of receipt at the final UNFI DC destination, unless otherwise agreed by UNFI. UNFI does not have responsibility to check Product for adequate shelf life. Supplier is solely responsible for ensuring shelf-life compliance upon delivery to UNFI. Supplier shall provide its SRM with written, updated information regarding Product shelf life and guaranteed minimum shelf life at time of delivery.
3. UNFI will charge back any Products that are not sold before the expiration date on the package.

E. SUPPLIER FOOD SAFETY ASSESSMENTS

Suppliers may be required to complete a food safety assessment as part of their ongoing distribution relationship with UNFI. Based on the findings of such risk assessment, UNFI may, at times, require additional documentation/ verification and increased insurance coverage from Suppliers.

13. Unacceptable Products

A. RECALLS AND PRODUCT WITHDRAWALS

1. UNFI considers a recall to include a Supplier's removal or correction of a Product that the FDA or USDA considers to be in violation of the laws it administers and against which an agency may initiate legal action (e.g., seizure). A recall does not include a Supplier's removal or correction of a Product which does not pose a potential threat to Consumer health or safety, is not materially misleading, and is not subject to legal action by the FDA or USDA.

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2. Supplier must immediately notify UNFI of all recalls and market withdrawals involving Supplier's Products as set out in UNFI's Recall & Withdrawal Policy. Supplier must make every reasonable effort to notify UNFI prior to any public announcement of a recall or market withdrawal involving Supplier's Products, but such notification must, in all events, occur within six (6) hours of Supplier's decision to recall or announce a market withdrawal.
3. Supplier is expected to fully cooperate with UNFI, promptly provide any information requested by UNFI to administer a recall or market withdrawal and comply with all applicable requirements, including but not limited to UNFI's Recall & Withdrawal Policy.
4. In the event of a recall or market withdrawal, UNFI will charge Supplier back for all fees including, but not limited to, any Customer fees related to the recall and charged to UNFI, costs associated with Product retrieval from retail stores, storage, shipping, disposal-related costs, and all communication related expenses, including in relation to any press releases, government advisory or warning letter relating to the Product.

B. UNACCEPTABLE PRODUCTS

1. **"Unacceptable Product"** means any one of the following:
 - a. A shipment of temperature-sensitive Product(s) that is not accompanied with a temperature data recorder, or which has exceeded the acceptable temperature limits during its shipment;
 - b. Any Product with a shelf life of less than 75% upon receipt by UNFI, unless otherwise agreed with UNFI;
 - c. Any Product that is unable to maintain its quality and integrity, including with respect to packaging, labeling and/or UPC compliance in accordance with industry standards for the duration of the Product's shelf life;
 - d. Any Product that does not conform to Supplier's specifications or is found to be defective prior to resale;
 - e. Any Product that is unsaleable and/or for which UNFI allows a Customer a refund or credit, including, but not limited to Consumer returns, shelf worn Products or Products that are unsalable for other reasons; or
 - f. A Product that is the subject of a recall or market withdrawal.
2. UNFI may refuse to accept delivery of Unacceptable Products. If Unacceptable Product has been delivered to UNFI or if, after delivery to UNFI or its Customer, the Product is discovered to be Unacceptable Product through no fault of UNFI, Supplier shall accept Products for return, for full credit and with freight paid by Supplier. Alternatively, at Supplier's discretion and expense, UNFI may dispose of such Unacceptable Product in a manner as the circumstances may reasonably dictate and Supplier shall reimburse UNFI for any amount by which the sale or disposal price realized by UNFI will be less than UNFI's cost of the Product plus reasonable expenses for such sale or disposition.

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14. Insurance

- A. As part of the Supplier onboarding process and annually thereafter, Supplier must provide a certificate of insurance (“**COI**”) and a copy of the additional insured endorsement, provided by a carrier or carriers with an A.M. Best rating of at least A-, Financial Size category VII.
- B. A Supplier’s failure to provide a current, updated COI may result in a disruption of service and may prevent UNFI from purchasing from the Supplier.
- C. Supplier must maintain, in any combination of primary and excess policy(ies), the following insurances from a carrier or carriers reasonably satisfactory to UNFI*:

***UNFI reserves the right to request higher insurance limits for Products, based on the findings of a Food Safety Assessment on Supplier’s Products.**

Insurance Coverage	Amount
Commercial General Liability	<p>If Supplier’s Products include supplements, meats (including beef, poultry, pork, lamb and deli meats), or seafood.</p> <ul style="list-style-type: none"> • A combined single limit of five million dollars (\$5,000,000) for bodily injury and property damage per occurrence; • five million dollars (\$5,000,000) for products/completed operations in aggregate; and • five million dollars (\$5,000,000) general aggregate. <p>If Supplier’s Products do not include the above:</p> <ul style="list-style-type: none"> • One million (\$1,000,000) combined single limit for bodily injury and property damage per occurrence; • two million dollars (\$2,000,000) for products/completed operations in aggregate; and • two million dollars (\$2,000,000) general aggregate.
Workers’ Compensation	Statutory coverage as required by law.
Employer’s Liability	\$100,000 per accident for bodily injury or disease; \$1,000,000 in the aggregate for disease.
Commercial Automobile Liability	\$1,000,000 combined single limit covering bodily injury and property damage arising out of the use of any owned, non-owned, leased and hired autos.

- D. The policy(ies) must designate “United Natural Foods, Inc. and its affiliates” as additional insureds on a primary non-contributory basis and will be endorsed to provide contractual liability insurance

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in the amount specified above, specifically covering Supplier's obligations to defend and indemnify UNFI as set forth in the UNFI supplier agreement, or applicable purchase order terms and conditions, and specifying that such coverage is primary and not contributory. The policy(ies) must also contain a waiver of subrogation in favor of United Natural Foods, Inc. and its affiliates.

- E. The policy(ies) and certificates of insurance must also specify that UNFI will be given at least thirty (30) days prior written notice by the insurer in the event of any material modification, cancellation or termination of coverage. The required insurance coverage required be maintained by Supplier for a minimum period of one year following termination or expiration of the later of the date of delivery of the last shipment to UNFI or Supplier agreement (if applicable).

15. Other

A. PRESS RELEASE POLICY

Without the written consent of UNFI, Supplier may not make or issue any public announcement, press release, advertisement, social media posting, or marketing materials that refer to UNFI, to UNFI's purchase of Products from Supplier, or to the subject matter of any agreement with UNFI.

B. CYBER SECURITY

Supplier is responsible for the integrity of its own information technology system and for implementing commercially reasonable processes and procedures designed to prevent cyber breaches. Any damages incurred by UNFI to the extent resulting from Supplier's systems, Supplier access to UNFI systems, or Supplier's failure to maintain commercially reasonable processes and procedures shall be the responsibility of Supplier.

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EXHIBIT A

COMPLIANCE FEES

1. Appointment-related fees
 - a. Fees for no call/ no show
 - b. Fees for rescheduling appointments
 - c. Fees for no appointment
 - d. Late 30+ minutes (consolidated two different late fees)
2. Load
 - a. Pallet violation fee (consolidated four different pallet-related fees)
 - b. Freight damaged/ shifted
 - c. UPC Barcode
 - d. Incomplete/inaccurate BOL/packing slip
 - e. Received quantity exceeds PO/ overship
 - f. Unsafe/ unclean trailer
 - g. Wrong product/ case pack
 - h. Placard – 2 missing
 - i. Placard – 1 missing
3. Service
 - a. Vendor caused lost sales (VCLS)
 - b. Service level fees
4. Costing letter fees/ invoice surcharge fees
5. Other
 - a. Late notice fees (< 90 days' notification - includes late pack changes, late pricing changes, and late location changes)
 - b. Late disposition fees

*UNFI reserves the right to adjust Compliance Fees from time to time upon notification to Suppliers.